

TO BE LIEUTENANTS (JUNIOR GRADE)

Ensign Chester L. Harding, May 15, 1934.
 Ensign Roy E. Stockstill, May 15, 1934.
 Ensign Harold B. Roberts, May 15, 1934.
 Ensign James R. Hinnant, May 15, 1934.
 Ensign Richard C. Foutter, May 15, 1934.
 Ensign Charles O. Ashley, May 15, 1934.
 Ensign Quentin McK. Greeley, May 15, 1934.
 Ensign Randolph Ridgely, III, May 15, 1934.
 Ensign Arthur M. Root, Jr., May 15, 1934.
 Ensign John T. Stanley, May 15, 1934.

APPOINTMENT IN THE REGULAR ARMY

DENTAL CORPS

To be first lieutenant with rank from date of appointment
 First Lt. Edgar Gunther, Dental Corps Reserve.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY

TO QUARTERMASTER CORPS

Capt. Henry Hapgood Fay, Infantry, with rank from January 8, 1929.

TO CORPS OF ENGINEERS

Second Lt. Salvatore Andrew Armogida, Field Artillery, with rank from June 12, 1935.

Second Lt. Paul Elton LaDue, Field Artillery, with rank from June 13, 1933, effective March 1, 1936.

Second Lt. Ivan Clare Rumsey, Field Artillery, with rank from June 12, 1935.

Second Lt. Sidney George Spring, Coast Artillery Corps, with rank from June 12, 1935.

TO ORDNANCE DEPARTMENT

Capt. Emerson Leroy Cummings, Corps of Engineers, with rank from August 1, 1935.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 27 (legislative day of Jan. 16), 1936

NATIONAL EMERGENCY COUNCIL

Lyle T. Alverson to be Acting Executive Director of the National Emergency Council.

FEDERAL HOUSING ADMINISTRATION

Stewart McDonald to be Federal Housing Administrator.

FARM CREDIT ADMINISTRATION

Samuel D. Sanders to be cooperative bank commissioner of the Farm Credit Administration.

POSTMASTERS

IDAHO

James W. Christensen, Downey.

ILLINOIS

Jacob Feldman, Batavia.

Harold F. Kuettner, Dundee.

INDIANA

Bessie L. Gage, Ashley.

MAINE

Fred S. Littlefield, Brooks.

Adrian F. Kelleher, Camden.

Carlton R. Barlow, East Boothbay.

Arthur H. Carpenter, Limerick.

Herbert L. Osgood, Mattawankeag.

Clara M. Colcord, Stockton Springs.

MARYLAND

Lena S. Townsend, Girdletree.

Jacob H. Reinhardt, Lansdowne.

Turner B. Waters, Severna Park.

MASSACHUSETTS

Maynard N. Wetherell, Chartley.

NEW JERSEY

Edmund H. Carpenter, Woodbury.

NEW YORK

Henry Karchmer, Kiamesha.

Helena F. Cuatt, Mohegan Lake.

NORTH DAKOTA

Lincoln A. Hanson, Aneta.
 Helen Morton, Manning.
 Veronica F. Bimler, Munich.
 Carl Jahnke, New Salem.
 Carl L. George, Sarles.
 Bridget A. Hennessy, Tolna.

OHIO

Charles H. Mullen, Pomeroy.
 Lema M. Collins, Proctorville.

WISCONSIN

John F. Clancy, East Troy.
 Anna Kettering, Glen Flora.
 Charles E. Martin, Medford.
 Exilda L. Grendahl, Sheldon.
 Samuel Dewar, Westfield.

WITHDRAWALS

Executive nominations withdrawn from the Senate January 27 (legislative day of Jan. 16), 1936

POSTMASTERS

MASSACHUSETTS

Mary A. Fallon to be postmaster at West Stockbridge, in the State of Massachusetts.

OKLAHOMA

Leonard C. Wiley to be postmaster at Glencoe, in the State of Oklahoma.

PENNSYLVANIA

Russell E. Reese to be postmaster at Fredericktown, in the State of Pennsylvania.

Margaret E. Malley to be postmaster at Wyncote, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 27, 1936

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, our everlasting Father, we thank Thee for the fidelity and for the surpassing wonder of divine love. We pray Thee to clothe us with that spirit of charity that thinks no evil, that loves not suspicion and is slow to detect it in men. We pray Thee to deliver us from downward-weighting temptations that root us in pride and selfishness. Heavenly Father, the cries of suffering ones are in our ears; they are overcrowded with privations and driven out of courage. Do Thou direct human hands to turn their way, lingering early and late with rich blessings. Crown the Congress, we beseech Thee, with wisdom and with the wealth of mind and heart that bring forth the fruits of happiness and contentment. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, January 24, 1936, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

Mr. WOODRUM. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes on the state of the Union.

The SPEAKER. The Chair wishes to state that we are about to take up an appropriation bill on which there will be general debate. The gentleman is a member of that committee, and I think, with all due deference as a Member of the House, the Speaker has the right to interpose an objection.

Mr. WOODRUM. Mr. Speaker, I am quite willing to withdraw my request and ask for time in general debate.

The SPEAKER. The Chair thanks the gentleman for withdrawing it.

WHICH CONSTITUTION?—AL SMITH KNOWS, OR OUGHT TO KNOW,
THE ABSURDITY OF HIS STATEMENTS

Mr. HILDEBRANDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILDEBRANDT. Mr. Speaker, "Alfred E. Smith, of America"—as he was characterized in the introduction, although his conception of America is now plainly that of a plutocratic, Wall Street owned America, rather than the liberal America he once championed—made a speech the other night, with 12 members of the Du Pont Powder Trust in the audience.

The man we have so generally liked personally and for whom we have had such affectionate regard in the past came before the Nation in the role of a foe of social-security legislation and a defender of reaction. Mask his motives as he might, praise the purposes of the American Liberty League and its clique of millionaires and billionaires as he might, there could be no mistaking why he was speaking and what he was attempting to accomplish. Glittering generalities and bombastic boisterousness about one's patriotism do not prove that what he is championing is best for his country. Because a man has come from humble beginnings on the sidewalks of New York it does not follow that he is now allied with the poor and the exploited. In this case quite the contrary is true. It is a far cry from the Al Smith who once fought for the victims of hard-hearted industrialists to the Al Smith of 1936, who consorts almost exclusively with the Bourbons and Tories of the United States.

Conspicuous was the slight mention of workers and farmers. He talked about the Democratic platform and sought to prove that its promises have not been kept, but he did this not in the sense of urging more progressive and social-justice laws but in a deliberate vein of fault-finding. It was his obvious object to tear to pieces the administration by harping on expenditures for the hungry and homeless and trying to brand them as evil and extravagant. His attempt to raise a red scare by calling the moderate reforms of the Roosevelt administration "communistic" and "coming from Moscow" was what the better Al Smith of the olden days would have bluntly stigmatized as "the bunk."

Al Smith knows the absurdity of statements about the Supreme Court settling the significance of the Constitution. He orated in raucous roars about the legislation that, according to him, did not conform to the basic law.

Somebody who read a recent issue of the American Mercury might have quoted the title of an article in that magazine headed "Back to Which Constitution?"

Of course, Al Smith realizes, as all of us do, that the Constitution has been amended a score of times. Strictly speaking, the first Constitution was not the second Constitution, for the addition of the Bill of Rights made it quite a different document than it was in the beginning—and the second Constitution was not the third, and so on. From former Governor Smith's language you would think there never had been more than one Constitution. You would imagine that it was a paper drafted spontaneously, like a national decalogue, with no changes possible throughout eternity. The very essence of our Constitution is its possibility for amendment, a right which has been exercised frequently. A man who shouts about preserving the Constitution as if it were an unalterable mandate is, in language which Al Smith has often heard among the plain people of his own sidewalks of New York, "talking through his hat."

How nonsensical to scream that administration heads should make "the Constitution the civil bible of the United States and pay it the same respect and reverence that they would religiously pay the Holy Scriptures", when all of us appreciate that the founding fathers never expected to write an immutable and everlasting code.

To be true, we respect the Constitution and we revere the wisdom expressed in this—and any other—ably prepared work of fundamental legislation. But we do not kneel before it in blind adoration as a savage kneels before a fetish. We do not bend as heathen do before an idol of wood or

stone. The Constitution of the United States is a living document, affording a general statement of basic ideals and outlining a framework for our Government, but specifically authorizing adoption of new articles and sections to meet new conditions.

"Reverence!" Thanks to my common sense I have too much reverence for the authors of the Constitution to believe that they did not expect it would undergo numerous alterations in the course of decades and centuries. To contend otherwise would be to accuse them of intellectual inferiority to the average high-school student.

When they provided for changes they thereby established the clear contrast between the new American Republic and the governments of the Old World, which had rested upon the assumption that every government was ordained by the Almighty and should continue without modification unto the end of time.

Contrast the remarks of Governor Smith with the statements of Thomas Jefferson—also of America as well as of Democracy—when Jefferson asserted that no society should have a perpetual constitution or a perpetual law; that a new constitution would be desirable about every third of a century; and that sometimes "a little revolution is a good thing in any country."

Contrast Mr. Smith's words with those of Thomas Paine, who ranks with Jefferson, Patrick Henry, and James Madison as one of the greatest of the founders. All of us are aware what a vast part Paine played in the formation of an independent nation here on the Western Hemisphere. Paine, answering those who held that the Colonies should not sever relations with Great Britain "because America hath flourished under her former connection", wrote in his trenchant style:

Nothing can be more fallacious than this kind of argument. We may as well assert that, because a child has thriven upon milk it is never to have meat, or that the first 20 years of our lives is to become a precedent for the next 20.

An excellent presentation of the view that the Constitution is not static but subject to alteration in the course of progress was made by Attorney General Homer S. Cummings in his address on The American Constitutional Method before the New York City Bar Association December 18, 1935. In the closing paragraph of General Cummings' speech is found more wisdom, more vision, and more democracy than could be discovered in a thousand violent outbursts like that of Al Smith:

Our Government is not a logical, a documentary, or a judicial absolutism. The American constitutional method is a process of adaptation and growth, as well as a means whereby wrongs may be corrected and governmental measures may be attuned to the essentials of justice, through the orderly ways of discussion and education, as opposed to the violent changes and intolerable tyrannies by which absolute governments are inevitably characterized. Were this not true, the Constitution would be a dam against which the waters of life would beat in vain, rather than a directing channel through which the stream of national existence may safely pass.

LEAVE TO SIT DURING THE SESSIONS OF THE HOUSE

Mr. CONNERY. Mr. Speaker, I ask that the subcommittee of the Committee on Labor, considering the Ellenbogen textile bill, have leave to sit during the session of the House.

Mr. O'CONNOR. Reserving the right to object, for how long?

Mr. CONNERY. The Governors of the New England and Southern States are coming here before the subcommittee and I will ask for the privilege of sitting this week, and then if necessary I can renew the request.

The SPEAKER. Is there objection?

There was no objection.

THE COCONUT OIL EXCISE TAX

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to extend my own remarks on the coconut oil excise tax and include therein a few tables.

The SPEAKER. Is there objection?

There was no objection.

Mr. STEFAN. Mr. Speaker, I take the floor at this time in the defense of the millions of American farmers who milk

cows, and in an effort to bring before Members of this House of Representatives the necessity of protecting the American market for the American producer.

Last year Congress passed a bill levying a 3-cents-a-pound tax on Philippine coconut oil, and now there is a movement on foot, by what I believe to be a gigantic lobby, to eliminate this tax and open the floodgates of the United States to the importation of foreign-produced oils.

The fact that about 4,000,000 of our farmers milk cows, and the fact that 50 percent of oleomargarine is represented by coconut oil, will give you Members of Congress who represent farm States some idea why this alleged powerful coconut-oil lobby is endeavoring to remove this 3-cent excise tax on coconut oil. These taxes became effective on June 10, 1934, and results which have come from this levy have been among the most powerful and important in benefits to agricultural products of any from any other laws passed in that session of Congress. Contrary to the arguments now being put up by those forces who are deluging Members of Congress with pleas to eliminate the 3-cent excise tax on coconut oil, the oils and fats industries have prospered because of this tax. Values have increased to the tune of \$249,000,000; millions of cotton, corn, peanut, soybean, beef cattle, swine, and dairy farmers have benefited by better prices. The price of cottonseed was increased by \$9 to \$12 per ton. Better prices for soybean oil and soybean results have doubled the acreage of beans planted, and the purchases of Philippine coconut products, although declining in volume, have increased in dollar value. Contrary to the arguments put forth by the coconut-oil lobby, the Philippine coconut-oil producers have been benefited not only by higher prices, but the Philippine Commonwealth as a whole will benefit because they will receive this 3-cent excise tax which is collected from the American consumer, but which in turn helps to protect the American producer.

Farm organizations, such as the Farmers Union, the National Grange, the American Farm Bureau Federation, American Cotton Cooperative Association, and the National Dairy Organization have petitioned for permanent retention of this tax. In my opinion, this tax is not only fair and just, but I believe the tax should be increased. The very fact that this tax produced a positive benefit of \$249,000,000 to the American producers in the first 16 months of its operation is an argument that the tax should not be changed, nor should the act be repealed.

In some of the propaganda reaching Members of Congress, especially those representing farm districts, the coconut-oil industry indicates that if they can have no more open doors to the entry of coconut oil they will so adulterate this coconut oil as to make it unfit for edible purposes. This statement, in my opinion, is mere camouflage to allay the fears of Congressmen representing the dairy and farm regions. We need only to turn back to prohibition days, when alcohol was so adulterated as to make it unfit for a beverage. Inedible oils—with very few exceptions—become edible when impurities are removed by refining. If the 3-cent tax on coconut oil is removed by a "denaturing" proviso to that effect, there will be an immediate change of condition in every fat and oil industry. A large increase in imports of coconut oil will result with sharp price declines among all oils used in soap and other inedible products; this followed by displacements, changes, and price reductions among the oils used in the edible trade.

Tables and statements of facts issued and compiled by the conference of domestic oils and fats of Washington, D. C., state that soap makers in 1934 used 341,000,000 pounds of coconut oil. They also used over a billion pounds of other oils which could in large part be replaced by coconut oil. Other industrial buyers used two or three million pounds of coconut oil. Makers of edible products used about 211,000,000 pounds more. The total coconut oil used in 1934 was 589,602,000 pounds.

If the tax on denatured oil is removed by law, it will completely change this picture both as to quantity of coconut oil used and its distribution.

First, the undenatured coconut oil now used in soaps—341,000,000 pounds in 1934—will be replaced by the cheaper tax-free denatured oil. Next, every other taxed foreign oil used in soap will be displaced, as far as possible by the tax-free denatured coconut oil. It might replace all of these oils or a total of 275,000,000 pounds now used in soaps as follows: Palm oil, 154,704,000 pounds; palm-kernel oil, 16,516,000 pounds; sesame and sunflower oils, 7,608,000 pounds; and whale and fish oils, 98,544,000 pounds—all 1934 basis.

Next, these tax-free imports would tend to displace the domestic oils now used in soaps, principally corn oil, 6,268,000 pounds; edible tallow, 1,098,000 pounds; inedible tallow, 662,858,000 pounds; and grease, 142,782,000 pounds—1934 basis.

These replacements would certainly take place unless the prices of all these domestic oils were brought down to or near the price of the Philippine denatured coconut oil. This reduction in prices of all the oils used in soap is evidently the purpose of the proponents of this proviso.

They claim, however, that this will be its only effect; that prices of edible oils will not be affected thereby.

The error in that claim is due to the fact that the oils affected are not exclusively used for soap. In every case but one or two these same oils with a little additional refining are largely used for edible purposes. Both the imported oils which are now taxed and the domestic oils now used in part in soap, once their prices are reduced and they become plentiful, will seek every possible outlet which includes all edible uses. The Philippines can continue to send millions of pounds of undenatured oil, Netherlands East Indies will send millions of pounds of palm oil, Africa and the East Indies will send millions of pounds of palm-kernel oil, and India and China sesame oil, Russia sunflower oil, and all will compete in the edible markets. Corn oil, domestic soybean oil, peanut oil, cottonseed oil, fish oil, edible tallow, oleostearine, oleo oil, neutral lard, and so forth, are all used edibly or in edible commodities. This brings us to the culmination of the whole proposal.

This whole list of oils will be forced in increasing volume to lower prices and/or to edible uses. All, without exception, are ingredients used in making oleomargarine and lard compound and other edible products which compete directly with butter and with lard. This means cheaper oleomargarine—cheaper butter—and lower-priced lard compound and vegetable shortenings—cheaper lard, cheaper hogs, cheaper corn.

The play of cause and effect set forth above is natural and inevitable. Its basis is the remarkable similarity in physical characteristics and close relation of chemical composition of every oil and fat involved in this joint industry. Every product manufacturer seeks the cheapest usable material, and each shift in supply and price affects the price of all from top to bottom.

Only a very few oils are fully inedible, all the others, no matter their conditions as crude oils, can be refined to "edible" character. The interchangeability and close-price relationships between all of these oils are well understood by the oils and fats trades and are as stated above.

PHILIPPINE-AMERICAN TRADE NOT SERIOUSLY AFFECTED BY TAX ON IMPORTED OILS AND FATS

There have been many misstatements of fact and many false inferences, guesses, and propaganda statements made with reference to this subject. The facts, disclosed by official figures, are:

I. The value of coconut oil and copra imported from the Philippine Islands to the United States has actually increased in the period since the effective date of the tax, compared with the same period before that date.

II. The balance of trade between the Philippine Islands and the United States has been adverse to the United States during almost every year of the colonial relationship. The tax law has not changed this situation in any material way.

I

This tax law became effective June 10, 1934. The law was passed May 10, 1934, and its passage had been forecast for

about a month prior to that date, so during both April and May 1934 there were heavy imports in an effort to escape the tax. Notwithstanding the heavy imports for this 2-month period, a tabulation of the imports and their valuation during the whole period from January 1, 1933, to May 30, 1934 (17 months), compared with the imports from July 1, 1934, to October 30, 1934 (16 months) shows that the value of such imports per month was about \$190,000 greater in the period after the tax became effective than in the period before the tax was enacted.

The amounts and values of copra and coconut oil imports from the Philippine Islands showing this increase after the tax became effective are as follows:

Imports of copra and coconut oil from the Philippines (January 1933 to October 1934)

[Source: Reports of U. S. Tariff Commission; Monthly Summary Foreign and Domestic Commerce]

	Copra		Coconut oil	
	Quantity	Value	Quantity	Value
January to December 1933.....	442,168,076	\$6,008,775	316,078,135	\$8,555,892
January to May 1934.....	165,505,445	1,929,172	161,776,487	4,014,548
July to December 1934.....	150,791,838	1,882,850	124,578,270	2,674,421
January to October 1935.....	344,349,064	7,584,044	286,288,889	10,197,388

Copra and coconut oil value for 17 months before tax, \$20,508,377; \$1,206,375 average monthly value. Copra and coconut oil for 16 months after tax, \$22,343,303; \$1,396,456 average monthly value. Amount and value of imports in June 1934 are omitted from this table. The law was in effect on June 10, but the official figures do not divide the month's imports between the two parts of the month.

It is well known to every economic observer and to every business man engaged in Philippine import or export business that the business between the countries for the past 35 years has been an exploitation of Philippine resources, chiefly agricultural, by interested United States fabricators of products made from their raw materials, while a few struggling United States exporters sought to build up such limited amount of export business as could be secured for a limited line of manufactured products. However, the general public has not been generally informed of these facts, and a body of sentiment has built up for American exporters who it is claimed might lose some business because the United States placed a tax on coconut oil.

The facts are that if the entire coconut-oil business were shut off—as to which there is neither intent nor likelihood—the record shows that many millions of dollars have and will continue to flow from the United States to the Philippine Islands every year, over and above their total past, present, or future purchases from the United States exporters.

II

The exact state of this trade, showing that in the past 35 years the buyers in the United States have poured over \$360,000,000 into the island resources more than Philippine buyers have spent in the United States, is seen in the following table:

United States trade with the Philippines, 1900-34

[Source: Statistical Abstract]

	Imports	Exports
1900-10.....	\$121,536,824	\$89,391,683
1911-20.....	468,748,925	406,979,119
1921-30.....	967,309,137	700,005,809
1931.....	87,133,456	48,883,393
1932.....	80,877,402	44,985,542
1933.....	93,047,796	44,781,832
1934.....	87,811,089	47,528,316
1935 (to September).....	77,504,688	37,969,759

The reasons for the showing of increased values of imports of copra and coconut oil from the Philippine Islands since the tax became effective can be readily understood if the conditions of this tax are understood.

First, it placed the tax on both the oil itself and on the oil if made from imported copra. Therefore copra imports

into the United States had been subject to no duty or tax of any kind. Next, it placed a differential between Philippine Island oil and copra and these products from other sources. This differential is 2 cents per pound in favor of the Philippines.

The results were exactly as estimated in advance by the proponents of the measure. The entire oil and copra buying of the United States has been concentrated in the Philippine trade. Not only this but the increased prices of competing domestic oils induced by the tax raised the entire price level, so both copra and oil from the Philippines was sold in the United States at higher prices.

All this has resulted, as cited above, namely, in an increase in value over a period of 16 or 17 months of over \$190,000 a month in our purchases of oil and copra from the Philippine Islands.

Congressmen who are interested in saving the American market for the American producer should realize all inroads which are being made by oleomargarine, 50 percent of which represents coconut oil shipped into our country. During the fiscal year of 1934, according to data from the Bureau of Internal Revenue, there were 104,942 oleomargarine retailers in the United States. This number, from the same data, and for the year just passed, 1935, had increased to a total of 155,415. In my State of Nebraska, where, during the black months of depression and farm-poverty days, these farmers depended on the humble cow for a living, the number of oleomargarine retailers jumped from 1,680 in 1934 to 2,630 in 1935.

By continually conceding and giving here and there to the great pressure of propaganda and coconut oil lobbying, the American farmer last year lost a sale of 200,000,000 pounds of milk, which could have been used for butter purposes. This represents millions of dollars out of the American farmers' pocket.

Mr. H. G. Keeney, president of the Farmers' Educational and Cooperative State Union of Nebraska, who has studied the question in great detail, tells me that foreign oils have already cost the American farmer a great deal of money. He tells me that there used to be sale for animal fats, tallow, lard, and oils extracted from waste meat, which now are practically valueless, to go into the manufacture of soap and other products. Imported oils have now taken the place of these animal fats. These vegetable fats can be shipped in from the Philippines at the lowest water rate and then take a long-haul rate to the big soap factories in the East. It is this expert's opinion that while we are trying out a policy of controlled production of hogs we are importing an increasing amount of vegetable oils to take the place of animal fats. Most of the trade agreements made and in process of ratification make it easier for the importation of products which compete with agricultural products in this country.

It is because I am of the sincere belief that it will be during this session of Congress that this powerful and rich coconut-oil lobby will endeavor to eliminate the excise tax on coconut oil, that I ask the indulgence of Members of Congress to listen very carefully to my plea to show a united front when this lobby brings to the floor of this House their bill to in some way compromise or eliminate the tax against this foreign imported oil. This lobby, in my opinion, is combined with other great industries, which I believe includes the sugar industry, and the subsidized ship industry, which I had occasion to study at close quarters during the past few months. As a member of the Insular Affairs Committee, and as a guest of the Philippine people at the inauguration of their new Commonwealth, I found myself besieged with coconut-oil propaganda from the day I left my home to the time I arrived in Seattle, until embarkage on the steamer at Seattle, and on board the steamer on the high seas, through China and Japan, through the Philippine Islands and Hawaii, and even on the return trip home; and after returning to Washington again I found myself being confronted with a vast amount of printed matter and propaganda endeavoring to turn my mind in favor of opening up the gates of America to the flood of coconut oil.

I made a careful study of the copra and coconut-oil industry in the Philippine Islands and also the sugar industry. I had personal interviews with people who had a personal interest in the industries, and they told me without mincing words that a desperate attempt is being made to open the gates of America to a flood of coconut oil, and no stone is being left unturned by this powerful lobby in their efforts to change the law which Congress passed in 1934, and which has helped protect the American producer, and at the same time has been a fair treatment to the producers of coconut oil.

Careful study during this tour of the Far East leads me to believe that unless we, as representatives of the American farmers, do not protect their products, we shall find ourselves in practically the same position as some of our industrial Eastern States find themselves in their futile efforts to compete against the importation of cheaply manufactured articles which are pouring into our country by boatload from Japan. If we eliminate the excise tax we will have told these farmers who produce butterfat that they must compete with cheaply produced coconut oil from the Philippine Islands, and eventually we will have the same condition at our doors as was seen a year ago when boatload after boatload of foreign butter came into our country to compete with butter produced on our farms.

This is a warning to Congressmen, especially those representing farm and dairy regions, that they are facing one of the richest, most powerful lobbies this country has ever seen, and whose propaganda is more complete and more determined than any other we have experienced in Washington. The propaganda is carried out in such a systematized manner and with the help of great corporations in this and other countries. In my opinion, the objective of this great lobby is the enslavement of the farmer and wage earners of America. If ever America needed protection in its efforts to keep up the American standard of living, it is now.

Members of Congress should know how the American livestock farmer has benefited from the excise tax on vegetable oils of foreign origin. For several years before 1934 the price of animal fats was ridiculously low. These commodities sold far below the cost of production. Large surpluses had accumulated and hung heavily over the market. During this time tremendous quantities of coconut oil and other fats and oils were being imported into the United States at ridiculously low prices. The price level of these imported oils seemed to serve as a brake in checking any advance on price of animal fats and oils, either edible or inedible.

When the Internal Revenue Act of 1934 went into effect a perceptible increase in the price of animal fats and oils took place; an increase which eventually proved to be practically equal to the tax.

Prof. H. J. Gramlich, chairman of the department of animal husbandry of the University of Nebraska, has stated that it would be most unfortunate from the standpoint of the consumer to let them remove the excise tax.

Do not forget that all these excise taxes collected on Philippine coconut oil are held as a separate fund and are to be paid into the treasury of the Philippine Islands. The coconut-oil industry is arguing that this money does not go back to the coconut-oil industry in the Philippines, but the arguments put forward by those who wish to continue this tax is that all of the money goes back to the Philippine people, and at the same time, while not as much of the coconut oil is coming into our country, it resulted in more money going to the hands of the Philippine coconut-oil industry.

It is time to preserve the American market for the American producer. It is time to trade with foreign lands for those things which we cannot produce in our own land; for the things that our fertile acres cannot produce, and things which we cannot manufacture. It is also high time that those who are endeavoring to trade off our farm produce to realize that unless the farmer is protected all industry will fail.

Mr. COCHRAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COCHRAN. In the last session of Congress the House passed an omnibus-claims bill. That bill went to the Senate and one bill I have in mind was passed by the Senate with amendments and is now in conference. I desire to inquire if that conference report will come back to the House on that particular bill or will it come back to the House as a conference report on the omnibus claims bill?

The SPEAKER. The conferees will report on the individual bill which was passed by the two Houses. The gentleman understands that under the Private Calendar rule, after an omnibus bill is passed by the House, it is resolved into the several bills of which it is composed so that each bill contained therein again assumes its original form. The Chair thinks the gentleman will find that there are no omnibus-claims bills in conference but that there may be some individual bills in conference that were at one time incorporated in an omnibus bill. In that case the conferees could only report on the individual bills committed to them.

Mr. COCHRAN. Then it will come back here as a conference report on an individual bill and considered under the general rules of the House?

The SPEAKER. The gentleman is correct.

INTERIOR DEPARTMENT APPROPRIATION BILL, FISCAL YEAR 1937

Mr. TAYLOR of Colorado, from the Committee on Appropriations, reported the bill (H. R. 10630, Rept. No. 1927) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Union Calendar and ordered printed.

Mr. LAMBERTSON. Mr. Speaker, I reserve all points of order.

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10630, the Interior Department appropriation bill. Pending that, I ask the gentleman from Kansas what suggestion he has to make in respect to time for general debate?

Mr. LAMBERTSON. Anything the gentleman might suggest would be satisfactory, I think.

Mr. TAYLOR of Colorado. Then I suggest that we let general debate run on through the day, the time to be equally divided between the gentleman from Kansas and myself.

Mr. LAMBERTSON. Mr. Speaker, I have some requests for time tomorrow, and probably we will run into tomorrow with general debate.

Mr. TAYLOR of Colorado. I have also. Mr. Speaker, I ask unanimous consent that general debate run on through the day, to be equally divided between the gentleman from Kansas and myself.

The SPEAKER. The gentleman from Colorado moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10630; and pending that, asks unanimous consent that general debate continue through the day, the time to be equally divided between himself and the gentleman from Kansas. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Colorado.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 10630, with Mr. DOUGHTON in the chair.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 40 minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Chairman and fellow rubber stamps, departing from my custom in debate for obvious reasons, I

respectfully ask your indulgence to be permitted to proceed without interruption.

Saturday night last a great feast was spread in the District of Columbia, the Nation's Capital. It was under the auspices of an aggregation which had ascribed to itself the righteous designation of the American Liberty League. There had been unusual ballyhoo, fanfare of trumpets, beating of the tom-toms, and all of the usual performance that precedes an unusual burlesque show. Even in spite of that, I fancy the meeting would have created but little attention, probably would not have even gained the front pages of the daily press except for the fact that a very personable, likeable, and distinguished former Governor of New York State, and former Democratic nominee of the Democratic Party, was scheduled to make a speech, in which it was freely predicted that he would pay his respects to the New Deal in general, and give particular "hell" to the present administration. Some years ago a very enterprising manager of a county fair, exasperated because of his failure to secure attendance at his meetings, devised the idea of advertising that on a certain day in the fair two steam locomotives would be turned loose and run into each other at full steam ahead. So he bought two old locomotives, fired them up, put them up on the track, and set them down on either end of the fair grounds, got a full head of steam, put a string in, and pulled the throttle and turned them loose, and they exploded, to the glee and gratification of a vast crowd. A thoughtful spectator remarked, "That is just like the American people, is it not? They will go anywhere to see somebody bust 'hell' out of something." So, after all of this ballyhoo, a very large audience gathered on this occasion in Washington to see the performance, and they were not disappointed. There have been many descriptions of that meeting. To my mind Heywood Broun gave the best one. He said it was a good technical performance, but otherwise "lousy."

Mr. Chairman, a very distinguished audience gathered upon this occasion—members of the American Liberty League. There were ladies bedecked in jewels and ermines. There was wealth and affluence. In all respects it was a gala occasion. If I understand correctly, the league is made up in general of three groups of people; one a group of very industrious, shrewd, and clever members of our political adversaries, the Republicans who are quite willing to enter into any honorable enterprise which may bring confusion and consternation to their enemies the Democrats on my side of the aisle. Another group is a small group of disgruntled, disillusioned, disappointed political "has beens" who have entered into this unholy alliance. Another group, quite a sizable group in this aggregation, is a company of political nondescripts. Political parties mean nothing to them except as they are able to use them and manipulate them for their own selfish interest and advantage. If they think they can gain control of the Democratic Party they are for that party. If they think they can gain control of the Republican Party then they contribute to that party's campaign fund; and oftentimes they contribute to the money chests of both parties.

But there is one thing in common between those three groups which composed that audience. That is the objective. They have declared war upon the Democratic administration, the liberal government which it is espousing, and its great leader, Franklin D. Roosevelt. [Applause.] Actuated by widely different and separated motives, their objective is the same—the destruction of the Democratic Party, the New Deal, and the President of the United States.

They call it the Liberty League. Liberty League! O Liberty, what crimes are committed in thy name! [Applause.] Liberty League! In what liberties are they interested? As I looked over the roster of that imposing company I wondered which of their liberties were in danger. I wondered if there was gathered at that sumptuous table a single human being who had missed a meal during this depression. I wondered if numbered in that company there was a single head that had tossed upon a sleepless pillow during these fateful years because of the fear of the loss of

his farm, his home, or his business, or who had drunk from the bitter cup of failure and disappointment! Liberty League! They are not interested in liberty. They are interested in license—license to use and control the functions of Government for their own advantage. [Applause.] That is what they are interested in. I could not help but wonder, as I listened on the radio—it is radio now. It used to be "raddio." [Laughter.] We have reformed our language since we got into the Liberty League. [Laughter.] Moved uptown. [Laughter.]

When I heard this distinguished speaker, there amid the guffaws and applause of the gathered guests to his sallies and witticisms and wisecracks and jibes, my mind seemed to be running pretty much along the same channel as another mind, a fellow New Yorker of the distinguished ex-Governor. The Reverend Stephen S. Wise is quoted as having said this in this morning's New York Times:

"There was high drama, if not tragedy," Dr. Wise said, "in the spectacle last night of a most eminent American, risen from direst poverty to fame and power, who prefaced an address which dealt with the misery of one-third of the American people over a term of years, from the viewpoint of one who said of himself: 'I have supreme happiness and comfort.'"

"Can any man in these bitter years of tragedy who refers to 'my supreme happiness and comfort' qualify himself for passing on the quality of a Nation which aims not to comfort the few but to lift out of the hell of misery and starvation tens of millions who, through no fault of their own, know no happiness or comfort?"

[Applause.]

It was a strange gathering in which our erstwhile Democratic friend found himself. His unequaled ego doubtless feeding upon the applause of this sumptuous gathering, I wondered if he realized that 75 percent or more of those in attendance were people who in 1928 started a certain very well-known whispering campaign against the Democratic nominee in 1929. [Applause.] And what were they whispering? Oh, they were pointing the finger of ridicule and scorn at the Democratic nominee for the Presidency. They were kindling the fires of bigotry. They were offensively personal in their attacks. And yet Saturday night there they were applauding him, enjoying his remarks and his jibes at the Democratic Party, which had conferred upon him the highest honor that it can confer upon an American citizen. Indeed a strange spectacle.

Of course, the big news of the affair was that there was supposed to be forthcoming from this gentleman a statement of what the country might expect his attitude to be in the future, and, with characteristic dramatic effect, he told the audience. He admonished the Congress to forget the election, but he said:

My mind is on the Democratic Convention, and I seem to see the resolutions committee coming in with a resolution endorsing Roosevelt and his administration.

Well, at least he is a good prophet, is he not? [Applause.] Now, he said:

Now what I going to do, and what are some of these other Jacksonian and Jeffersonian Democrats going to do? There is only one of two things we can do; either put on the mantle of hypocrisy or take a walk, and we will probably take a walk.

Well, that is what we might have expected. The Happy Warrior takes a walk! But let me point out to you a very definite and subtle effort was made in that speech to make it appear to the country that because of the fact that the Democratic Party had allegedly left its platform and betrayed its trust, here was a great Democratic chieftain who was now finding it necessary to part company with his colleagues and his allies. Do you catch it? Oh, he read off the Democratic platform section by section. With jibes and wisecracks he would read a section, and he would say, "That is thrown into the wastebasket." Al Smith having said that, of course, it was definitely adjudicated in the affirmative, and why waste time talking about it? Pass on to the next. He tossed all of the Democratic platform into the wastebasket and then, with tears in his heart, told us that he had the painful duty of saying that if the Democratic convention in Philadelphia should bring in such a resolution he would have to take a walk. My friends, he would not have to take a walk. He took that walk some time ago. [Applause.] You cannot

walk out of some place you have never been in. He is not going to take a walk in Philadelphia. He and Shouse took the walk in Chicago. [Applause.]

How well do we remember that walk. Failing to receive the nomination, they, like spoiled children, gathered up their blocks and paper dolls and slid out of sight! Then followed months of silence. There was speculation as to whether the Governor would ever vote with his party. Not until within a few weeks before the election in 1932 did he break his silence. Then came the famous speech in New Jersey. As I recall it, he spent about 55 of his 60 minutes delivering a lecture on intolerance and lambasting the forces that had defeated him at Chicago. For the last few minutes of his speech he called the name of the nominee and called for the support of the ticket.

What then? Did he buckle in and offer his influence, experience, and wise counsel in trying to solve the tremendous problems at hand? Not he! Every time the Governor has opened up he has taken a crack at the administration. So, after all, we are not so much surprised at his attitude.

In fact, he is just about now coming to be Democracy's most famous "walker-outer." The Governor and his pals were strong for the show if they can be in the center of the main ring; strong for the parade if they can lead the procession and beat the base drum; strong for the Democratic Party if they could rule it and dictate to it; but if anybody else ever had an idea, if anybody else were ever given an honor, they take a walk.

And whom do they walk out on? He walked out on the man who had nominated him in three national conventions, and who had referred to him—what an unhappy phrase!—as the "Happy Warrior." "Happy Warrior", indeed! Well, he may be happy, but where is the warrior? He says now that the Democratic Party is being ruined; he says that America is being ruined. His heart is bleeding, and what does he do? He takes a walk! Can you imagine Jefferson, or Jackson, Woodrow Wilson, Cleveland, or Franklin D. Roosevelt taking a walk if their party and their country were in danger? They would have been in there with the fight. No; he took the walk in Chicago and is still walking; and he just happened to stop in Washington the other night on his hike. [Laughter.] Paradoxical as it may seem, the very first thing the present administration did was to carry out Al's 1928 platform of his own making—repeal of the Eighteenth Amendment.

Now, my friends, I do not want to be flippant, and I certainly am not going to be personal about this matter. I remember back a little further even than 1932; I remember 1928; and I want to ask you this question: When did the sanctity of a Democratic platform become so important in the eyes of this gentleman? I seem to remember a convention at Houston in 1928. I remember that at that time both major political parties were shot through the middle with the prohibition issue. Neither party wanted to take a definite stand on it. Our friends, the Republicans, over here, did not take a definite stand on it. There was a strong element at Houston who wanted to come out for a repeal plank. They made a fight in the committee on resolutions for an outright repeal plank. Another element wanted to avoid that issue. Finally they compromised their differences and brought in a plank on observance of the Constitution and law enforcement. They nominated the Governor of New York and sent him a telegram. Do you remember the telegram he sent Senator ROBINSON? Talking about political platforms! after expressing his gratification, he said:

It is well known that I believe there should be fundamental changes in the present provisions for national prohibition, based, as I stated in my Jackson Day letter, on the fearless application to the problem of the principles of Jeffersonian democracy. While I fully appreciate that these changes can only be made by the people themselves through their elected legislative representatives, I feel it to be the duty of the chosen leader of the people to point the way which, in his opinion, leads to a sane, sensible solution of a condition which I am convinced is entirely unsatisfactory to the great mass of our people.

He wrote his own prohibition plank and then started running on it. He selected his own chairman for the National Democratic Committee. He got him from the other

side of the aisle. Why, Johnny Raskob has never been a Democrat. He said he had never been but that he had voted for Wilson once. He said he had never been affiliated with any party. But "Who's Who" has him down as a Republican. Al selected him, however, and the public press quoted Mr. Raskob at that time as saying this—and how well I remember it; some of you other gentlemen of the South probably remember it too when he was quoted as having said in substance: "I accepted the chairmanship of the National Democratic Committee because I saw in it an opportunity to rid the Nation of the abominable affliction of prohibition."

Where was the party platform adopted at Houston? Rewritten by the Democratic nominee and the chairman of the National Democratic Committee.

And now, as my friend said the other night, I want to let you in on something. Down in the South where the Democratic fires burn all the time we were having a battle. You know, there were some people down there who wanted to take a walk. They did take a walk, and a certain Democratic nominee for the Presidency did not like it very much when other people were doing the walking. I can say to you, however, that every responsible leader in my State, including every Democratic Member of Congress, both United States Senators, the Governor, who was an ardent personal and political dry, the Lieutenant Governor, and, with one or two exceptions, every member of the State senate and house of delegates not only supported Governor Smith on his own self-made platform but took the stump, took the hustings in our own State, and in other States, advocating his candidacy because he was the nominee of a great party. Nobody took a walk on him then, none of the leaders. Personally, I openly and aggressively supported him. I made speeches all over my State, and in other States, unqualifiedly supporting his candidacy. [Applause.] But his attitude in running out on the Democratic platform at Houston was the principal cause, my friends, of my great old State, Virginia, leaving its traditional place in the Democratic column. [Applause.] I thank the gentleman for that lone applause on the Republican side. [Laughter.]

Now, I want to give you another one, as the gentleman said. He said he would not mind what was happening if we had gotten anywhere, but that we had destroyed the country and were just where we were when we started. That we were spending too much money, too many bureaus, and so forth. Do you remember a certain Jackson Day dinner in Washington in either '31 or '32, in which Governor Smith advocated a vast public-works program of many billions of dollars? Well, I remember it quite well. Well, my friends, I am one Democrat who does not claim perfection for the efforts of the present administration. There are, of course, only two groups in the country that I know of at the present that are perfect. One is our good friends on the left-hand side of the aisle, and the other is the Liberty League. [Laughter and applause.] The Democrats are just ordinary human beings and make mistakes. Perhaps there have been mistakes, undoubtedly there have been disappointments; but I will tell you one disappointment the American people have not had: When they enlisted under the banner of Franklin D. Roosevelt they wanted an honest, courageous, fearless, determined, consecrated leadership, and they have gotten this. [Applause.] If some of the efforts at recovery have run into constitutional objections, is there an intelligent person who honestly believes that the Congress of the United States or the President of the United States deliberately, willfully seeks to usurp the Constitution of the United States or to destroy it in its fundamental essentials?

Why, perhaps the A. A. A. was unconstitutional. For all intents and purposes it was unconstitutional, but at least one of the greatest and most liberal judicial minds of your age and mine, who comes from the Governor's own State, says it was constitutional. I do not feel any embarrassment if I am mistaken and that gentleman is mistaken.

The Governor says the country is being ruined. I want to read an editorial in my time, with the consent of the House, which comes from the Richmond Times-Dispatch, a news-

paper that has not always agreed with all of the policies of the present administration. This is such an unanswerable argument to the flimsy claptrap of the Liberty League the other night that I want to read it to you:

RUINING THE COUNTRY

We were about to get a bad case of blues after reading an address by Merle Thorpe, editor of Nation's Business, official organ of the United States Chamber of Commerce, before the Bond Club of New York, when we chanced to glance at other headlines on the same page. Mr. Thorpe explained to the members of the club that the Roosevelt administration must assume responsibility for "the retarded business recovery", and was so convincing that we were about to put on sackcloth and ashes, or, since we have given support to a great many of the administration's measures, that famous hair shirt of which Mr. Hoover spoke.

But on the same page we ran across the headline, "Power Output at New High", showing that the first week in January had reached the record set during the second week in December. The story went on to say that the consumption of electricity in kilowatt-hours was 9 percent above 1934 and 2.7 percent above 1929, that year which almost all of us speak of with awe. Whether justifiably or not, the electric companies feel they have been worse treated by the administration than anybody else, next, perhaps, to the telephone companies, who are scheduled for an investigation. It happened that the same page carried, along with Mr. Thorpe's address and a record of power consumption, a story that earnings of the Bell System for 1935 were about \$7 a share in comparison with \$5.96 for 1934 and that the increase in telephone subscribers showed a net gain of 460,000 in 1935 and 298,000 during 1934.

We felt somewhat better about Mr. Thorpe's speech but decided to chase the gloom away entirely by looking over the headlines on the financial pages of the New York Times since January 1. A few of the items we culled follow:

From April 1, 1935, the low point of stock prices for the year, to January 1 of this year, the value of stocks on the New York Exchange alone (the figures are not available for the Curb Market or the markets located in a hundred other cities of the country) increased from \$30,936,000,000 to \$46,945,581,555. In other words, there had been restored to stockholders who have shares listed on the New York Exchange alone more than twice the amount of money the Federal Government has spent for recovery, excluding the recoverable items represented, for instance, by R. F. C. lendings. That does not take into account, of course, the millions of shares on the curb and on provincial exchanges, nor the values inherent in unlisted stocks, in bank stocks, in real-estate holdings all over the United States. Nor does it undertake to show how much money value has been restored since March 4, 1933, when the Government started spending for recovery.

But that is not all. Steel output was up 35 percent in 1935 and predictions are that durable goods will show an increase for this year of 50 percent. There was a rise of 10.64 percent in sales by chain stores, pig iron production was at a 5-year record; gold mining set a record for all time; furniture volume in the Chicago mart showed an increase of 25 percent; New England business, solidly against the administration, showed a general average increase of from 10 to 15 percent; bank clearings were up 6 percent; automobile production in the last quarter of 1935 increased 191 percent over a year ago; realty values made big gains; electric goods consumption increased by 20 percent; savings banks depositors numbered 16,000,000 at the turn of the year, with \$10,000,000,000 in savings banks, a figure higher than 1929; life-insurance sales gained \$2,500,000,000, the greatest year since 1930; foreign trade was up \$500,000,000 for the year; dividends were at a 4-year record; the oil industry had its best year since 1929.

Freight-car loadings were the highest since 1931, and revenues for the railroads were up 8.1 percent over 1934. November operating income was up 66.7 percent for the country, with the West leading with an increase of 121.9; the East with 52.9; and the South with 25.4 percent increase. A New York Times headline said, "Rail Securities Reach Stable Basis."

Another study, made by the Northwestern National Life Insurance Co. of Minneapolis, showed in November a 29-percent increase in theater attendance; a 23-percent increase in household furniture purchases; luggage sales for winter travel, 25.4 percent increase; sporting goods, 24.1 percent better than last November; piano sales up 10.1 percent over a year ago; department-store jewelry sales up 18.1 over a year ago.

As Dorothy Parker (or was it Margaret Fishback?) said, "We feel better now." Or, as Josephus Daniels has frequently and ironically said in his Raleigh News and Observer, "This fellow Roosevelt is ruining the country."

If time permitted—and I have taken too much time already—I could quote from the Washington Star of Sunday morning, which carried the Governor's speech in which he said that the Democratic Party was ruining the country. The first column says, "Store sales rise slightly, despite cold wave—24 percent gain in the last year." The next column, dated New York, states, "Corporate earnings show an average increase"; and there is listed 10 or 12 of the big corporations that had larger dividends last year. The indus-

trial index shows a gain over all of last year. "Virginia tobacco sales set a new record." Almost every column shows the same.

My friends, these facts refute the statement that the policies of the administration have retarded recovery and verify the statement that recovery started when President Roosevelt took office and has proceeded conservatively without intermission up to this hour. [Applause.]

Mr. GIFFORD. Will the gentleman yield?

Mr. WOODRUM. I cannot yield to the gentleman.

Mr. GIFFORD. I have a newspaper article of yesterday that I would like to give the gentleman to read.

Mr. WOODRUM. The gentleman can get plenty of time from his side.

Mr. Chairman, it is very well that we understand just where we are. Something was said in the meeting the other night about a prodigal son that strayed from the house of his father. I believe the great Democratic Party and its leaders would be just as liberal, just as kind, considerate, and tender as that father in the days to come if and when this prodigal decides to foresake the error of his ways when he tires of that unnatural company with which he has associated himself, when he decides again—and God grant that he will—to throw his influence and his great personality back into the great fight that seeks to bring government back to the people where it belongs. [Applause.] We will welcome him back if he wants to come back again and join the forces of progress.

In closing, may I say that no one has suggested any attack upon the Constitution of the United States. The speaker thought it was perfectly proper in 1928 for him to point the way to change the Constitution, yet it seems to be a great sin now if any gentleman or any group of gentlemen have the temerity to suggest that perhaps in the years to come the Constitution might be further liberalized. Let us not forget that Thomas Jefferson believed that every 30 years the Constitution ought to be revised; that there ought to be a convention to revise it. But whatever that may be, Mr. Chairman, in the days to come, as in the days gone by, the Constitution and the Government will belong to the people, and it will be in safe custody in the hands of the American people. [Applause.] It will not need the Liberty League to protect it. [Applause.]

The recovery program of this administration moves on apace; the ship of state has weathered many storms; it has passed over rock and reef. There are doubtless others ahead of it. But I believe the great rank and file of American people, appreciating the courage and the sincerity of our leader, applauding his fine efforts in their behalf, will continue to give him their support and that there will go up to the mercy seat a fervent prayer that this great humanitarian, the great leader of the Democratic Party now in the White House, may have divine guidance, power, and strength to go forward with his great mission. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I am reminded of the old adage that "Where the feathers fly is where the shot hit." [Applause and laughter.]

The distinguished gentleman from Virginia [Mr. WOODRUM] has just orated in a most eloquent manner for over a half hour, ridiculing, attacking, and belittling Alfred E. Smith, a former candidate for President of his own party. And why? Because he just cannot take criticism, because the Democratic Party cannot take criticism, from their own members any more than they can take it from the Republicans.

What right has the distinguished gentleman from Virginia, of all others, to take the floor and criticize Alfred E. Smith when his own State turned against him when he was your bona-fide candidate for President in 1928? Where was the State of Virginia then? The gentleman from Virginia himself should be precluded from making this attack upon one of the outstanding Americans this country has produced in our day or generation, regardless of party politics.

I am glad to take some time here, as one who knows him personally and belongs to an opposite party, as one who served for years with him in the State legislature and saw him grow up there to be the leader of his party in the State of New York and later on become the outstanding Democrat in the country. The gentleman from Virginia, however, spent one-half hour, or more, denouncing Alfred E. Smith personally, ridiculing him, and did not answer at any time in his speech a single one of the criticisms made by Governor Smith in his speech a few nights ago.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. FISH. I cannot yield.

On no occasion did he even attempt to answer a single one of the criticisms of Governor Smith aimed at the repudiation of the Democratic platform by the present administration. From the very beginning it was an indirect attack on Alfred E. Smith, his family, his table manners, and his use of the English language, and nothing else. If he had answered those criticisms, perhaps, I would not be justified in taking the floor at the present time. Governor Smith took up one plank of the Democratic platform after the other and showed, in a clear-cut and definite way, how each one of them had been repudiated by the Roosevelt administration. The gentleman from Virginia says that Governor Smith proposes to walk out on the administration, and why not? It is true that Governor Smith denounced the New Deal administration as being socialistic, and Governor Smith, in his political lifetime, has never been identified with the Socialist Party. How can Governor Smith walk out on his own party when his own party has gone socialistic? Here are his own words:

Just get the platform of the Democratic Party and get the platform of the Socialist Party and lay them down on your dining-room table side by side and get a heavy lead pencil and scratch out the word "Democratic" and scratch out the word "Socialistic" and let the two platforms lie there. Then study the record of the present administration up to date.

Further on, he has this to say:

Well, in 25 years of experience I have known both parties to fail to carry out some of the planks of their platforms, but this is the first time that I have known a party upon such a huge scale, not only not to carry out the planks, but to go directly the opposite way to the things which they promised.

This was a definite charge. Every Democrat on this side, and I think every one of you listened in, knows it is made in good faith. It would be perfectly right for a Democrat to take the floor and challenge these statements and attempt to deny them, but no one has. Not a single member of your party is able to challenge these statements, and I hope one of you will try to do so in his own time.

Mr. FORD of California. Mr. Chairman, will the gentleman yield?

Mr. FISH. No; I will not yield.

I hope in your own time you will attempt to answer the charges made by Governor Smith. I challenge any Democrat in Congress to undertake to do so.

Mr. FORD of California. The gentleman says he is issuing a challenge. Why will not the gentleman yield?

Mr. FISH. Not in my time. I am offering the challenge now to any Democrat to take the floor and deny the specific charges made one by one with respect to the repudiation of your own platform.

Now, what is it that Governor Smith said the other night? I am going to put it in different words. I also intend to answer, as far as I am able, the challenge made in the House of Representatives by the President of the United States on January 3.

What does the opposition party propose? What do the Republicans object to about the New Deal? Governor Smith and the opposition party agree on the fundamental issue. I think every Republican will agree that the fundamental issue in the next campaign is the liquidation of the socialism of this New Deal administration. [Applause.] Political liquidation of the brain trusters who have never been Democrats in their lives and who have never been affiliated with the Democratic Party in the past. Political liquidation of

such brain trusters as Rexford Guy Tugwell, Felix Frankfurter, the Cohens and the Corcorans, and other New Deal socialistic termites seeking to undermine the Constitution and our American system; and we propose likewise the retirement of President Roosevelt to private life next November. [Applause.]

We also urge the repeal of all unsound, unconstitutional, and socialistic New Deal experiments that have destroyed business confidence and prolonged the depression.

This is practically the same recommendation made by Governor Smith. We do not indict the whole New Deal. We indict the unsound, un-American, and unconstitutional measures that have destroyed confidence in this country.

Mr. FORD of California. Mr. Chairman, will the gentleman now yield?

Mr. FISH. I will not yield.

Governor Smith, in his speech the other night, takes exactly the same point of view as the Republican Party when he says that he stands for the preservation of the Constitution and representative government; the maintenance of the powers of the Supreme Court, of the Congress, and of the States; and a restoration of government by law instead of by Executive orders.

I cannot speak for all the members of my own party, but there was not a single statement made by Governor Smith that I cannot endorse personally, and there was no single statement made by him that is in conflict with any Republican or Jeffersonian Democrat who believes in our constitutional and representative form of government.

The one fault with Governor Smith's speech, which I consider to have been the most effective political speech made recently affecting the rank and file of the Democratic Party and those who know his record for progressive legislation in New York State for the past 30 years—my main objection to it is that it did not go far enough. It merely touched on the planks that have been repudiated; it did not go into the utter disregard of the political creed and faith of the Democratic Party; it did not discuss the principles of Thomas Jefferson; it did not take up the violations of party principles, but merely the repudiation of the planks in the Democratic platform.

What is it that the Democratic Party has stood for for the last 140 years?

Mr. CREAL. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CREAL. The gentleman is speaking as a Republican, but he is making a Democratic speech. [Laughter.]

The CHAIRMAN. That is not a point of order.

Mr. FISH. I will say this to the gentleman, that we Republicans expect a great number of Jeffersonian and Jacksonian Democrats to cross over to the Republican Party in the defense of their own party faith and principles and help elect a Republican President this year. [Applause.]

Mr. FORD of California. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. FORD of California. The gentleman from New York is making a Democratic speech.

The CHAIRMAN. That is not a point of order.

Mr. FISH. For 140 years the Democratic Party has stood for certain principles of government, certain definite principles, which has constituted their party faith. It has stood for the rights and liberties of the individual under the Constitution. It has stood for State rights and State sovereignty and for national economy and against the centralization of governmental powers in Washington to interfere with the rights and liberties of individuals and of business.

This has been the political creed of Jeffersonian Democrats for 140 years in the North as well as in the South.

Why has not Alfred E. Smith the right to cry out against the present administration? You are violating not only your party platform but also violating your party creed.

We Republicans have always stood for a reasonable central government. We have always advocated a strong Federal Government at Washington.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. FISH. Mr. Chairman, what is it that Alfred E. Smith and other Jeffersonian Democrats complain about? You have been arraigning Alfred E. Smith. If he were the only Democrat to speak out, that would be one thing; but he is not. How about Governor Ritchie, of Maryland, who sat at that dinner the other night? How about Governor Ely, of Massachusetts, who was likewise at that dinner? What about former Senator Reed, of Missouri? What about John W. Davis, a former Presidential candidate of the Democratic Party? What about two former national Democratic chairmen? What about Lew Douglas, a former Member of this House? What about William R. Hearst, Bainbridge Colby, Governor Talmadge, and a host of other Jeffersonian Democrats? They are all in the same boat. Do you propose to read them out of your party? If so, say so. But when Governor Smith speaks, he speaks not alone for himself, he speaks for every one of these Democrats who know that you have deliberately repudiated your party platform and violated your political faith. Let us get back to the question of political principles and party faith, which Governor Smith did not touch upon. The "brain trusters", as I say, never before identified or affiliated with the Democratic Party, have taken the great Democratic Party far beyond any idea of centralized government, which Republicans have stood for in the past. They have taken it far, far beyond into collectivism, regimentation, crushing bureaucracy, and into State socialism where we are today. That is the definite charge. That is the one outstanding charge made by Alfred E. Smith—that the New Deal Democratic Party has gone socialistic, and has taken the Government into state socialism, and with that we Republicans agree. But this is an interparty fight between you and your former leaders. I challenge, therefore, a single Democrat to deny categorically the charges made by Alfred E. Smith. I challenge any Democrat to come upon this floor and read Alfred E. Smith out of your party, or any of the followers of Governor Smith or other Jeffersonian Democrats. That is the issue. And beyond and above that issue there is the liquidation of these men in your own party who have never been Democrats, the liquidation of State socialism, the liquidation of unconstitutional laws, of un-American laws, and of all the unsound New Deal measures.

But throughout the entire speech of the gentleman from Virginia [Mr. WOODRUM] he never answered one single charge made by Governor Smith. All he did was to ridicule him and those who attended that dinner. How can any Democrat ridicule other Democrats for attending a sumptuous dinner on Saturday at the Mayflower Hotel at the nominal price of \$5 a plate when only a week before you had your own Jacksonian, Rooseveltian Belshazzar feast at \$50 a plate in the same hotel? It comes with bad grace from the gentleman from Virginia to attack another Democrat for attending a dinner at a hotel in Washington at the customary price and then claiming that it was a sumptuous and luxurious repast. I am not here to protect the American Liberty League. I am not a member of it, I do not expect to become a member of it. I am not in sympathy with some of its aims and purposes, but I am glad to take this floor and uphold the character, courage, independence, and sincerity of Alfred E. Smith, a popular and able Democrat, and with a long record of achievements for social and industrial progress and justice as a former Governor of the State of New York. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. EAGLE].

Mr. EAGLE. Mr. Chairman, it again becomes my duty immediately to succeed the brilliant oratorical performance of the distinguished and modest gentleman from New York State [Mr. FISH]. I have no considerable interest, I might say, in the so-called and misnamed Liberty League, except in passing to comment upon the fact that the National Manufacturers Association, the United States Chamber of Commerce, the National Economy League, and the misnamed

Liberty League, made up of the aggregated wealth of this Nation, have seen fit, as they had a perfect right to do, to have a banquet at which a distinguished member of the Democratic Party came by invitation and delivered an address. If 3 percent of the population of this Nation, which owns 97 percent of its wealth, can meet in banquet hall in the Nation's Capital and by flattery bribe a patriot like Alfred E. Smith to forget the jibes they uttered at him when, as Governor of New York and later as Democratic nominee for President, his heart and leadership were upon the side of the masses of the people amongst whom he was reared, and now to take the side of monopoly because he offices as Raskob's agent on the one hundred and third floor of John J. Raskob's and the Duponts' Empire State Building he is clearly within his rights as an American citizen to do so. If Mr. Smith chooses to walk out on the Democratic Party, then the Republican gentleman from New York [Mr. FISH], who praises Mr. Smith today, is clearly within his rights in doing so, because I am informed he also walked out on his own party in 1912. [Laughter.] It seems that the gentlemen from Amsterdam or Rotterdam and some other "dam" place in New York have a habit of walking out on their political pledges and obligations.

The whole effort in this Presidential year is for all reactionary forces who desire again to exploit the scattered and unorganized masses of American people, to deceive them by belittling the noble work which the Democratic President and the Democratic Congress have done to lift the country out of despair. When the Democratic Party assumed control on March 4, 1933, we inherited a \$5,000,000,000 deficit which the Republicans left us. We inherited 16,000,000 idle workers which the Republican Party left us. We inherited 50,000,000 hungry men, women, and children which 12 years of Republican Party control of Government left us. We inherited the total break-down of the system of American business. We promptly and resolutely began the Herculean task of rejuvenating business and social life in America. What is it now that these gentlemen upon the Republican side, most of whom, I am happy to say, are my personal friends, would have the country believe we have improperly done? They do not specify. What is the cause of their constant complaints. They never specify. Are they distressed because in 1933 we voted \$3,300,000,000, with \$3,000,000,000 of which we put 3,000,000 men back to work under the N. R. A.; that we feed 50,000,000 American citizens Republican control had left hungry until hope again came into their hearts? Are these gentlemen in a bad humor because we established the Civilian Conservation Corps and put 600,000 wandering, unhappy, wretched American men to work—men whom the maladministration and futile legislation of the Republican Party for 12 long years had made wretched in this land of plenty? Are they in a bad humor because we gave them happiness and plenty and enabled them to help their families? Do these gentlemen regret—and is that what is the matter with them—that our Home Owners' Loan Corporation was such a success; that it saved 1,072,000 homesteads in towns, villages, and cities from foreclosure? Would they have preferred that the financial institutions, mortgage companies, and Wall Street foreclose and own those 1,072,000 homes? Are we not a Nation of home owners? Would there be any permanent Government but for the solidity and stability of the family and the home? Are they angry at the Democratic President and Congress because we have saved over 500,000 farms from foreclosure?

Eighty percent of the farms of the Nation were in debt and in arrears with taxes, interest upon their mortgages, and partial payments upon their mortgages when the Democrats took over the reins of government on March 4, 1933; but now there are 10 percent only of those farms that are in distress. Their taxes have been paid. Grocery accounts have been paid by the farming masses. Their interest and matured mortgage notes are paid. Their notes to banks which, in turn, had been rediscounted with the central reserve banks, have been liquidated by the sale of their crops at fair prices. Happiness is in the hearts of 40,000,000 people who produce the food and raiment on which this Nation

subsists. Are these Republican gentlemen in distress of mind because the Democratic Party at the beginning of the New Deal found wheat selling at 19 cents and caused it to be selling now at \$1 per bushel? Are they in distress because 2,000,000 farming families in the South, who buy one and one-half billion dollars annually from northern manufacturers in food and merchandise and manufactures, can now buy that much, when they could not have bought even \$1,000,000 worth if 1933 conditions had continued to prevail? There were 2,000,000 farm families in the South, meaning 10,000,000 people, who were receiving in March 1933, four and a half cents a pound for their cotton when it had cost them 8 cents a pound to produce it; but for the last two and a half years they have been receiving 12 cents a pound, so that prosperity has returned in the South, and we are again the heaviest purchasers from northern manufacturers of any section of this country. Would they have us go back to the time in 1932 and 1933 when even Wall Street no longer had an idea how to rejuvenate the country; when we had not a Republican statesman upon this floor in the 3 years from 1929 to 1933 to utter even one sane constructive thought? Would they have us go back to the time when the few rich got richer in the sense of foreclosures and in the sense of taking away all of the valuable equities people had all over the Nation, leaving the Nation strewn with the wreck of human hopes and filled with the cry of human despair?

This is a fight in which the American people must make up their minds whether they will keep as the proceeds of their annual toil not only barely enough for existence but enough in addition to give to their families the civilizing influences of modern life, or will again submit themselves, by electing a monopolistic Republican administration, to the control and dominance of greed? I shall never believe it. My people in Texas are free and happy again. Your people on the golden coast of California, in the mighty Corn Belt of the West, all along the Ohio River in the agricultural districts, in industries everywhere, are happy and prosperous. Four hundred and fifty thousand coal miners under the N. R. A., for the first time in their lives, became free and happy people. They and their families make 3,000,000 people. When the Supreme Court killed the N. I. R. A. it killed hope and happiness in the hearts of 3,000,000 people. But by the labor disputes bill we have restored that, and again we took the side, as we ought to have taken and as the Democrats always take, of the general common good.

This is a fight throughout this Nation between the selfish and greedy portion of aggregated wealth, upon the one side, striving to monopolize everything the American people make every year above enough to keep their soul and body together, and a general diffusion of the rewards of American labor, upon the other side.

If those men who gathered at the misnamed Liberty League dinner could see it in its proper light, they would rejoice that the New Deal had saved, first, themselves from wreck and chaos, and, second, restored happiness and general prosperity to the whole country, and would be willing that there be a policy of live and let live, instead of allowing the selfish, greedy portion of big business and great wealth to dominate the councils of their group.

Those who sat at that feast of the so-called American Liberty League the other night represented \$1,000,000,000 of wealth. Twelve members of the Du Pont family alone sat there, men who contributed 61 percent of the \$600,000 budget last year of the Liberty League in order to keep the ballyhoo going; and those 12 members of the Du Pont family and their business associates alone have \$500,000,000 of wealth. Yet, how much better are they than the farmer in the State of Maine hoeing potatoes? How much better are they than the coal miner in the State of Pennsylvania who goes down into the bowels of the earth, risking his life in order to keep the homes and industries going?

The Democratic Party has never overtaxed wealth, never confiscated wealth, and we will not overtax or confiscate wealth; but rather than repeat all the suffering, the woe, and the agony of this depression which was brought on this

country by Republican administrations over 12 long years, rather than put that again upon the masses, I am willing to tax down to the bare net all income of all the Du Ponts and the rest of them who have pillaged the country.

Justice to all, special privileges to none. Think and legislate in terms of the general common good, not class advantage. It is not the rich special classes, but it is the general masses who make our America great and strong. Thus only can the general diffusion of prosperity come, bringing with it to the hearts of our people everywhere the sense of justice and universal happiness and the ennobling feeling that such a country is worth living for, worth working for, and, if need be, worth dying for.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, it is not my purpose in taking the floor to defend Alfred E. Smith; that great American needs no defense whatever at my hands, nor by anyone else, either in this House or any other place in this great country. I care not how biased you are, you must admit that the speech delivered by Mr. Smith last Saturday evening was an epic in American politics. The man you denounce on the floor of this House, the man who rose from a newsboy on the sidewalks of New York, overcoming obstacles under which many of you would bend, and finally becoming the nominee for President of a great major party—such a man needs no defense at my hands, I can assure you.

I notice there have been some criticisms of Mr. Smith's speech. One of the most bitter came from a man named Broun, Heywood Broun, a radical, who ran for Congress on a radical ticket in the State of New York in 1932. Mr. Smith's speech, of course, would not appeal to a radical. We do not expect that it will appeal to a New Dealer, because the two terms are synonymous.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a question?

Mr. KNUTSON. Mr. Chairman, I do not care to yield.

You have criticized Mr. Smith because he said that he would either have to don the cloak of hypocrisy or take a walk this year. Well, Mr. Smith would not be the first one to take a walk. I remember away back in 1896, when your great party proposed to debase the currency of this country, some of the best Democrats in the land took a walk, and, as I recall, they put up a gold Democrat ticket headed by Palmer and Buckner; and it is to those Democrats that we can give thanks for having saved the currency of our country from being debased.

If Mr. Smith takes a walk, he will not be the first one to do so. The people of Virginia took a walk in 1928; so did the people of North Carolina; so did the people of Tennessee; so did the people of Kentucky; so did the people of Texas; and so did the people of Oklahoma, all Democratic States. Why did they take a walk?

The gentleman from Texas [Mr. EAGLE] had something to say about the condition of the country when the New Deal took over the reins in 1933. Yes; the country was in bad shape. We were in the midst of a bad depression; but, my friends, that depression was caused by the war that you promised the American people to keep us out of in 1916, and I do not think you are going to fool them again.

The gentleman from Virginia says that prosperity in this country is growing apace. That is news to the rest of us. According to the latest available figures, there are 20,000,000 people on relief in this country right now and 11,000,000 out of work. If you add to the number of people out of work those engaged on Government-made work, W. P. A. work, you will find the total about 13,000,000; at least 2,000,000 more people out of work now than there were when Mr. Hoover left the Presidency. Talk about going apace! Of course, you are going apace, as Mr. Smith told you; you are going through the window, three letters at a time.

Mr. FORD of California. Will the gentleman yield?

Mr. KNUTSON. No; I do not care to get into a controversy with anyone now. I am merely making a few observations.

Mr. Chairman, getting back to Mr. Smith, I think it ill-behooves any man on either side to get up on the floor of this House and criticize him. We must go back to the immortal Lincoln to find a man whose life is a parallel to that of Mr. Smith. Think of the obstacles that he overcame, growing to manhood in the most squalid part of New York, and having to fight every inch of the way, overcoming all disadvantages and finally becoming the standard bearer of the great party of Jefferson, Jackson, and Grover Cleveland. I do not wonder that Mr. Smith cannot go along with this radical program. Many of you old-fashioned Democrats, in the privacy of the retiring room, are just as severe in your denunciation of the New Deal as was Mr. Smith on Saturday evening. There is this distinction, however, Mr. Chairman, that Mr. Smith places his country first and his own political welfare second, while some of you political bellhops place your own political welfare first and the welfare of your country second. [Applause.]

I thank you.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. LEE].

Mr. LEE of Oklahoma. Mr. Chairman, every lawyer knows that when you want to get the true meaning of a document you take the whole document. You consider it from first to last, and if any small part of it seems to disagree with the document as a whole, then that small part must be harmonized with the spirit of the whole document.

As to both the platform of the Democratic Party and the Constitution itself, I believe that any fair-minded person reading from first to last will agree that Mr. Roosevelt's administration has been in full keeping with the spirit of both. [Applause.]

"Save liberty", shout the Liberty Leaguers. "Save the Constitution", shout the leaders of the Republican Party.

Wall Street is the powerful, invisible holding company in the background, while the Republican Party and the Liberty League are the operating companies. There is an unholy alliance between these groups and big business. There is more than an alliance; there is a conspiracy; a conspiracy for the purpose of destroying President Roosevelt and discrediting his program.

These spokesmen of big business would make it appear that the Constitution is not safe in the hands of the Democratic administration. They would lead the people to believe that liberty itself is at stake and that the only hope for the future is to destroy Roosevelt and return the Republicans to power.

This long, loud wail for the Constitution is just about as convincing as the blubbering of paid mourners at a Hottentot funeral. They are not fooling anybody but themselves. Their real purpose is to wreck President Roosevelt's program of social justice and economic security.

The Declaration of Independence and the Constitution have suddenly become very dear to the big business leaders. Although they have for many years trampled under unhallowed feet the Constitution's guaranty of human rights, they now come out with pious faces and unctuous voices to invoke that same Constitution for the protection of their ill-gotten gains.

THE SPIRIT OF THE CONSTITUTION

In order to get a true meaning of the Constitution you must keep the whole instrument in mind. When Mellon and Morgan, the Gold Dust twins, were running the Government they passed by the preamble to the Constitution and most of the guaranties of human liberty and picked out the property clause, which they made the whole Constitution. But, taken alone, that does not represent the spirit of the Constitution.

I can take isolated passages of Scripture and prove by the Bible that you should go hang yourself. For instance, the Scripture says, "And Judas went out and hanged himself." It further says, "Go thou and do likewise." And it also says, "What thou doest, do quickly."

And now if the Liberty Leaguers will do that, we will do better by them than was done by Judas. We will take them

down and bury them, because "we don't want 'em a-hangin' around."

No one has more reverence for the Constitution than I, but I do not propose to single out one phrase and give it a meaning inconsistent with all the rest of the document. Mr. Roosevelt's program is in harmony with the spirit of the whole Constitution. It harmonizes perfectly with the true intent and purpose of the instrument. There is no inconsistency or lack of agreement between his humanitarian program and that document.

The Constitution was never intended to be used as a refuge for predatory business. If Thomas Jefferson, James Madison, Andrew Jackson, and Abraham Lincoln knew that the Constitution was used to shield the exploitation of humanity, they would turn over in their graves. The fathers intended that it serve the very opposite purpose. The Government was set up to promote human welfare.

Let me quote a few lines from the Declaration of Independence:

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. To secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed * * *.

We, therefore, must conclude that governments are set up for men, and not men for governments.

No one can read the entire Constitution and not be convinced that it was ordained to promote human welfare and happiness. The spirit and purpose of that great document are set forth in the preamble. Those who are now shouting "Save the Constitution" from the humanitarian program of Roosevelt must have overlooked the preamble.

Listen—

We, the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquillity, promote the general welfare, provide for the common defense, and secure the blessings of liberty to ourselves and our posterity do ordain and establish this Constitution.

There you have the very essence of the Constitution. Can there be any question that it was established to promote the general welfare of the people? The reason that it became necessary to have 12 men in the jury box was because the judges and legal men kept their eyes so close to the naked letter of the law that they lost sight of the spirit of the law. Thus, the very law that was set up to insure justice was used to defeat justice. Let me illustrate it.

There was a widow in western Oklahoma who sold some mortgaged hogs and used the money to feed and clothe her five little children. She was not able to hire a lawyer; the judge appointed one. The woman had no legal defense, but the young lawyer told her to come on to court, and then she took the witness stand to tell the truth.

The judge asked her if she knew that the hogs were mortgaged when she sold them. She said, "Yes." Then he asked her why she sold them. She pointed over to the bench where there were five little children. She said, "To feed my babies."

The legal mind of the judge saw only the cold letter of the law and it broken. The judge in his mind said, "Guilty."

But the jury, the 12 good men and true, saw 10 little bare feet and five little hungry mouths, and they said, "Not guilty." They saw the operating of a greater law, the law of justice. They saw a little mother obeying the law of life, fighting the world for her offspring. "Not guilty." They refused to see justice defeated by the very law that was set up to insure it.

It is the duty and purpose of government to protect the weak against the strong. It was never intended by the authors of the Constitution that it should be used by the strong to give them additional advantages over the weak, but rather that it should protect the weak from the exploitations of the mighty.

LIBERTY LEAGUE

Soon after President Roosevelt was elected skipper of the old ship of state and began steering it back to its true

course, there was founded an organization called the Liberty League. Its membership is made up of some of the wealthiest people in the United States. The keen sense of humor of the founders of this organization caused them to name it the Liberty League. I suppose their intention was to play a joke on the American people. The same sense of humor that causes wags of a community to name a fat man "Slim", or to call a tall man "Shorty", must have prompted the name of the Liberty League. Did you ever see a real coal-black Negro that somebody did not call him "Snowball"? [Laughter.] Well, by that same token, they called this organization the Liberty League. You can label a bottle of castor oil "Pure Honey", but it doesn't change the contents. It looks very much like honey, but the label will not keep you from gagging when you take it.

"Rugged individualism" is another beautiful label, but during the regime of rugged individualism the wealth of the country was concentrated into a few hands, until 10 percent of the families owned 90 percent of the Nation's wealth. Under that regime, thousands of small businesses were driven into bankruptcy. Under that regime, there came into existence the fetid sweatshop and the inhuman institution of child labor. As a result of that dog-eat-dog regime, of the gold-plated policy of rugged individualism, 1 percent of the families of the Nation came into possession of 59 percent of the Nation's wealth, and 15,000,000 people were given the same kind of liberty that the Liberty League would save. They were given the liberty to beg, steal, or starve.

The survival of the fittest is the law of the jungle, but the fathers set up a Government to replace this law of barbarism with the humanitarian law of equal opportunities, and guaranteed these rights to the people of the United States by ordaining the Constitution as the supreme law of the land.

That law was intended to prevent the strong from exploiting the weak, it makes no difference whether that strength is mental, physical, or financial, it must be held within bounds. The Constitution recognizes and protects the rights of every individual.

But right is a relative term. One man's right ends where another's begins. Each individual right is limited by the rights of other individuals. One man's right to make money is tempered by the other fellow's right to live.

Right is a relative matter, as illustrated by the story of the Irishman who heard of free America, where there was so much liberty. As soon as he landed at New York he started walking up the street, breathing in the free air, enjoying his liberty. The first man he saw whose face he did not like, he socked on the nose. The officers took the Irishman to jail, but he protested vigorously, saying that he understood that a man had liberty over here in America. The old judge says, "Yes; but your liberty ends where the other fellow's nose begins."

The Liberty League is not thinking of liberty. They are thinking of license. They should be named the "license league." There is a vast difference between liberty and license. Liberty means a man's right to the opportunity to earn a living; it means the right to some of the sunshine of life. It means the opportunity to feed his children when they tug at his coat and ask for bread. It means the right to food, clothes, and shelter for himself and family in return for his toil.

But that is not the kind of liberty the Liberty Leaguers have in mind. They are not thinking so much of the liberty of millions of people as they are of the license to exploit them. It is not liberty they want, it is license—license to exploit their fellow man, license to run an unrestrained stock market, license to corner the markets of the world, license to form pools and get millions at the expense of the people, license to form monopolies in order to exploit the consumer.

CONSTITUTION IN SAFE HANDS

The Republicans shout, "Save the Constitution." These self-styled, self-annointed, self-appointed defenders of the Constitution would save it from what? Why, from destruction by the Democrats. And is not that good, when the entire Bill of Rights of the Constitution was written by the father of the Democratic Party, Thomas Jefferson himself?

And now the Republicans would save that document from destruction by the Democrats.

Why the Democrats have taken care of the Constitution when there was no Republican Party. The Democrats have taken care of the Constitution during the periodic deaths of the Republican Party. When Thomas Jefferson was elected President in 1800, the Federalist, the then Republican Party, was as dead as a door nail. They did not even have a ticket in the field. The Democrats took care of the Constitution then without the aid of the extinct Republican Party.

Then again, when Andrew Jackson was elected President, you see the second demise of the Republican Party, and once more the Democrats were the sole and only custodians of the Constitution, but it emerged unimpaired.

Furthermore, do you remember the last hectic days under the last administration, when the clouds of depression began "Hoovering" over us? [Laughter.]

The soup lines lengthened. Communism was knocking at our door. There were food riots. The feet of the unemployed wore down the grass in our public parks. Want and misery were on every hand.

One morning we picked up the newspaper and read where the banks in Arkansas had closed. Next the banks in California went, and Minnesota followed with her bank holiday. Then Ohio closed, then Michigan, then New York.

Grim-faced men stood in little groups on the street corners and whispered to each other, "What is going to happen to our Government? Will the Constitution stand?"

In Russia, Joseph Stalin smiled to himself. In Germany Adolf Hitler pointed to the United States as an example of the failure of democratic government.

In that critical hour, out of the ranks of the Democratic Party arose a leader, calling the people to a crusade, a crusade against selfishness, a crusade for the forgotten man, a crusade to place human rights above property rights, a crusade for a New Deal; that means but one person; that spells but one name, Franklin D. Roosevelt. [Applause.]

Like a thunderbolt, he moved in and started action. And what I mean is, he moved in, and the crisis was averted.

But now the Republican Party, whose policy of favoritism allowed a bunch of financial highbinders to steal this Nation blind, whose do-nothing leader sat there in the White House and allowed millions of workers to be thrown out on society by the men whom they had enriched by their toil, now this party, flanked by the big business leaders, whose selfish policies brought this Nation to within 6 inches of red revolution are telling the people to save the Constitution from the Roosevelt administration. Why, man alive, the Roosevelt administration not only saved the Constitution but actually saved democratic government in the United States.

This is now the third time that the Democrats have saved the Constitution when there was no other party to save it. And now the twice-dead Republican Party is once more flat on its back, gasping for breath. Yes, sir; the Republican Party is under the oxygen tent, and a few die-hards are trying to keep life in it until the next election by pumping in fresh air from the grass roots.

UNCONSTITUTIONAL LAWS

What do these Republicans base their howl of "Save the Constitution" on? On the fact that the Supreme Court knocked out three recovery measures. Why, they would have you believe that the Democrats cannot be trusted with the Constitution. Let us examine the record. Congressman FLANNAGAN, of Virginia, last August inserted a very interesting chart into the RECORD of the first session of the Seventy-fourth Congress, page 13134.

Up to May of 1935 altogether 67 laws have been declared unconstitutional since the beginning of this Government. Twenty of those laws were passed by Democratic Congresses, four were passed by Democratic Houses and Republican Senates; one was passed by the first Congress that assembled, which was nonpartisan; and now comes the surprise. For those Republicans who have forgotten their history and are going about shouting "Save the Constitution", 42 of the laws that have been declared unconstitutional by the Supreme Court were passed by Republican Congresses and only 20 by Democratic Congresses.

But, you say, that is because there have been more Republican Congresses than there have been Democratic Congresses; but that is where you are wrong. The record shows that there have been 33 Democratic Congresses and 27 Republican Congresses. The other Congresses were either non-partisan or else the House was of one political party while the Senate was of the other. Now, therefore, although the Democrats have had six more Congresses than the Republicans, yet the Democratic Congresses have passed only 20 unconstitutional laws, while the Republicans have passed 42.

But let us go a little further into the record. These self-styled, self-anointed defenders of the Constitution are shouting, "Save the Constitution from the Democrats." Theodore Roosevelt was a great President; no one denies that; but six of the laws passed during his term of office by a Republican Senate and a Republican House were declared unconstitutional by a Republican Supreme Court.

Then, again, everybody agrees that Abraham Lincoln was not only a great President but a great constitutional lawyer; and yet seven of the acts passed by a Republican House and a Republican Senate during Lincoln's term of office were declared unconstitutional by the Supreme Court.

That is not all; during President Grant's term 12 unconstitutional acts were passed; 10 of these were passed by Republican Congresses and the other 2 by a Republican Senate and a Democratic House. In other words, over half as many unconstitutional acts were passed during the administration of one Republican President as were passed by all the Democratic Congresses and Presidents since the ratification of the Constitution.

Well, so much for the stubborn, unanswerable facts. The leaders of the Republicans forgot to look up the facts before they started their theme song of "save the Constitution."

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a brief question?

Mr. LEE of Oklahoma. I yield.

Mr. BANKHEAD. Referring to the record of Theodore Roosevelt, it will be recalled that he himself recommended that the decisions of the Supreme Court on important questions be submitted to a referendum of the American people. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman from Oklahoma 5 additional minutes.

Mr. LEE of Oklahoma. Now, let us compare the record of the Republicans with the spirit of the Constitution and determine whether or not their policies have been in harmony with the intent and purpose of that sacred document. It is not necessary to enact legislation in order to violate the spirit and purpose of the Constitution, but if the policies of the Government are not in harmony with the intent and spirit of the document, the instrument is rendered null and void, even though there may not be an enactment on which the Court can rule.

In the first place, if the A. A. A. law was unconstitutional because it taxed all of the people for the benefit of some of the people, then what about the tariff, Governor Smith? If the A. A. A. farm program is unconstitutional, then certainly the tariff violates at least the spirit of that same document.

Then, again, trusts and monopolies violate the spirit of the Constitution, for its purpose is to grant equal opportunity to large and small alike. But for 12 years under the Republican regime of rugged individualism small and independent businesses were forced into bankruptcy by the most questionable methods employed by the gigantic corporations. Where were the Constitution savers then? Why, they were the directors of those same corporations.

Then, again, the spirit of the Constitution was violated when they sought to curtail representative government by the use of money. We saw the wealthy pay more for seats in the Senate than for seats in the stock exchange. Then we saw the Republicans vote to seat these Senators, thereby approving such flagrant violations of the spirit of the Constitution.

Then, again, the marines were kept in Nicaragua from 1912 to 1932 in violation of the spirit of the Constitution. They were kept there at a cost to all of the people of \$6,000,000 to protect the private investments of eighteen and a half million dollars of some of the people. Where were the Constitution savers then?

Furthermore, not only the spirit but the letter of the law was violated in 1920 during Mr. Harding's administration when Mellon, Morgan, Mitchell, and Mills, the four horse-men of the depression, changed the rediscount rules so drastically as to destroy billions of dollars of credit and increase the value of the dollar five times. And although the Constitution specifically says that "Congress shall coin money and regulate the value thereof", yet we heard no cry of "Save the Constitution" from any of the present members of the Liberty League, because it was their dollars that would be increased in value.

Then again, this sudden change of the value of the dollar caused farmers to lose their farms and homesteaders to lose their homes. They could not pay their debts in the same dollars they had borrowed. Consequently their homes were foreclosed. That property was not taken by "due process of law," but by a financial coup planned and sprung by those who are either members or eligible to membership in the American Liberty League.

Then again, the purpose and spirit of the Constitution is to establish justice, but where were the Constitution savers when our old settlers and pioneers were being foreclosed from their homes by that financial coup which created a dishonest dollar? Where were these Constitution savers when this unconstitutional injustice was being perpetrated? Why, they were busy foreclosing the mortgages, but when President Roosevelt stopped those foreclosures and threw away the auctioneer's hammer they began to shout, "Save the Constitution."

The past record of those who are now shouting "Save the Constitution" does not square with the precepts of that document. Listen, "We, the people of the United States * * *." Not we, the bankers; not we, the capitalists; not we, the Liberty League; but "We, the people."

Let me ask you, do we form a more perfect union by permitting policies that make the rich richer and the poor poorer?

Do we establish justice when men who have labored all their lives creating wealth for others are thrown out on society to starve or steal?

Do food riots, soup lines, and hunger strikes insure domestic tranquillity? Are you providing for the common defense when poverty and hunger opens the door to communism and prepares the way for radicalism?

Is the general welfare promoted when the gaunt wolf of starvation crouches at a million doors in a land where granaries are bursting with surplus grain?

Then, again, do we secure the blessings of liberty to ourselves and our posterity with 15,000,000 unemployed and millions of others in economic slavery?

Governor Smith accused our administration of being socialistic and communistic. But the fact is that Mr. Roosevelt saved this country from communism.

Three years and some months ago I was in New York City—Mr. Smith's home city—and I saw two long lines of people; one was composed of well-dressed people standing in line for the privilege of paying 65 cents to go into a show; the other was a line of poorly dressed men and women who were waiting their turn to get a bowl of soup.

We have made mistakes, that is true, but we have made them on the side of humanity. These mistakes have been inconsequential to the good that has been accomplished. The criticisms have been as superficial as the mist that wraps Niagara's mighty shoulders in comparison to the great undercurrent stream of relief that has gone forward to a distressed people. [Applause.]

If Governor Smith fears communism, then he should approve the efforts of this administration to remove the causes of radicalism. Misery and suffering had opened the doors

to communism, and communism was stalking in. Soup lines are the best places to hand out red propaganda and have it take root.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. LEE of Oklahoma. I yield.

Mr. LUCAS. Does the gentleman know whether or not any of those men that he saw in that line have since joined the American Liberty League? [Laughter.]

Mr. LEE of Oklahoma. I am sure they have not.

But the "sin of it is", to use one of Governor Smith's favorite phrases, that the Liberty Leaguers have ridden around in private cars so long that they have gotten a "fatty degeneration" of the point of view.

Governor Smith has come up from the sidewalks of New York, but he has come up too far. The forty-seventh floor of the Empire State Building is a long way from the fish market.

Governor Smith called our President a dictator. Well, I want you to know, Governor, that no lily-fingered, milk-livered man can stand up against the crowds you have joined. We Members of Congress have not forgotten the pressure your utility friends put on us, nor the money they spent in doing it.

Yes, Mr. Roosevelt is a leader who leads. He is leading us out of this depression, and we will follow his leadership in the next Presidential campaign and roll up another great victory for the plain, common people—a victory like the Democrats rolled up in Kentucky last November; a victory like the Democrats rolled up in New York in the recent election of Congressman BARRY, right under the very nose of the Liberty League.

Governor Smith says he is going to "walk out" at Philadelphia. He must be getting tamer, because he ran out at the last Democratic convention. Well, we worried along without him in that election, and I suppose we can do it again.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LEE of Oklahoma. I yield.

Mr. BLANTON. Can the gentleman think of antipodes being further apart than HAM FISH and Al Smith?

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. LEE of Oklahoma. Now, the Republicans holler, "Extravagance." Extravagance for what, may I ask? For feeding the unemployed. Whose depression is this, anyway? The nerve of the Republicans charging the Democrats with extravagance for feeding people who have been turned out of employment by a Republican depression is indeed refreshing. It reminds me of the boy who murdered his mother and father and then plead to the court for mercy on the grounds that he was an orphan. [Laughter.]

Yes; Roosevelt has spent money trying to feed those hungry human beings, and has thereby done much to prevent radicalism in this country. The best answer to radicalism is liberalism. Governor Smith, if you and the other business leaders destroy Roosevelt, you are sawing off the limb between yourselves and the tree. He is the one man that is saving us from a radical turn to the left. He is liberal enough to give relief, and that is the only answer to radicalism.

Perhaps some of the measures it was necessary for Congress to pass in order to avert a crisis have technically conflicted with the letter of the Constitution, but if you take the whole humanitarian program of Roosevelt and compare that with the platform of the Democratic Party and its avowed purpose of promoting human happiness, and then compare that administration with the Constitution, you will find Mr. Roosevelt's administration is completely in harmony with that document.

Instead of destroying the Constitution, it will breathe the breath of life into it, and make it a living, effective instrument. It will make it what its framers intended it to be, a tower of strength for the weak and a haven of refuge for the distressed.

The Liberty League shouts, "Save the Constitution."

The Roosevelt administration will save the Constitution. We have saved it from inactive, inoperative oblivion, and put it into force.

We will also save it from the dead-letter morgue of another Republican administration.

Do you think that it satisfies hunger to say to hungry men, "We will save the Constitution for you"? Do you think that helps them when their old stomachs are flappin' like a pair of rayon bloomers in an Oklahoma windstorm to tell them about the need of balancing the Budget?

You shout, "Save the Constitution!"

We answer, "Save human beings from the wretchedness of poverty."

Save the Constitution? Save 15,000,000 people from unemployment.

Save the Constitution? Save the stockholders from being robbed of their dividends by the holding companies.

Save the Constitution? Save the consumer from paying exorbitant rates to the power companies.

Save the Constitution? Save the investors from being swindled by stock-market pools.

Save the Constitution? Save the small businesses from the cut-throat competition of the big corporations.

Save the Constitution? Save millions of mothers who die in childbirth for the want of medical care.

Save the Constitution? Save millions of women from the evils of the sweatshop.

Save the Constitution? Save millions of children from the curse of child labor.

Save the Constitution? Save the home owner from foreclosures.

Save the Constitution? Save the feeble old fathers and mothers from the humiliation of the poorhouse.

Save the Constitution? Save farmers from bankruptcy.

Save the Constitution? Save the wage earners from economic slavery.

Put the humanitarian program of Mr. Roosevelt into law and you have saved the Constitution.

This is more than a political campaign. It is a fight between the people and the corporations. It is a contest between profits and blood, between men and money. It is a test whether or not we will have a government in harmony with the whole spirit of the Constitution or whether the property clause will dominate the entire Government. It is a test determining whether or not human rights are more sacred than property rights.

We have on our side Roosevelt, the fearless, lion-hearted leader. On the other side is the wolf of Wall Street. We have him in the corner. He is showing his teeth. Roosevelt is going in to finish him.

Let every patriot, regardless of previous party affiliations, support this great champion of human rights, and save once more constitutional government for the United States of America. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, for perhaps the first time I wish to indulge myself the pleasure of a political speech. I wish the gentleman from Oklahoma, who preceded me, could meet Al Smith this morning. I think Mr. Smith would tell him a story similar to this one of the actress. A young man fell violently in love with this actress. His grandfather called him aside and argued with him about it. He said, "Young man, I was in love with her once myself, when I was young; but, oh heavens, how she has changed!" I think that is what Al Smith tried to tell the country last Saturday. Commenting on another phase of the remarks by the gentleman from Oklahoma, I would say that the Republicans have been in power so much and the Democrats so little of the time it is small wonder there were 42 decisions of the Supreme Court against the Republicans and only 20 against the Democrats. I cannot argue that until I know the quality of the decisions and the importance of

the issues at stake. It reminds us of the old Dutch governor who, when evidence was produced by both sides, merely weighed it according to its *avoirduois*. I sympathize with these older Democrats who also loved the actress of the former day and who, down in their hearts, still love her, and have to endure in silence the great change that has been manifest in their Miss Democracy. Many of them have approached me and told me their true feelings regarding the socialistic doctrines now engrafted on their party. I sympathize deeply this afternoon with the Democratic Members from the State of New York. The excoriation of their beloved leader of so many years must have seared their souls. Will they take it silently? I shall hope that a New York Democrat will stand here before the day is over and reply to Virginia.

Those who have preceded me on that side have simply abused Mr. Smith personally. They have not answered a single argument of his speech. Mr. Smith was careful to say about as follows: "I represent nobody; I am perfectly happy because I do represent nobody, not even the Liberty League—they merely invited me here to speak." But you received awful bruises from his speech, and we see the marks on your faces. Mr. Lewis W. Douglas has handed you many; Governor Talmadge has handed you many; ex-Senator Reed and a host of others who used to love the old Miss Democracy have handed you additional bruises and you have said nothing about them. But now that you have had a real one given you by a greatly beloved personality of your own party you this afternoon drag him into court to be indicted and with the hope that he may be punished. A poor colored woman was thus brought into court. She had a dreadful bruise on her cheek, and, when asked how she got it, said, "It was given to me by my gentleman friend." So you are trying to indict one who is, perhaps, the greatest friend of the Democratic Party. The judge—the great American public—will now determine whether or not you provoked and deserved the punishment he inflicted more in sorrow than in anger. Mr. Smith set forth in plain terms the explanation of the resounding blow he felt forced to deliver. Mr. Smith said that he would probably take a walk. He was going to walk out of what? He emphasized what he would be forced to walk away from. He said, in effect, "I am walking out of the socialistic party that has swallowed up my own party." He is not walking away from the Democratic Party. You should fully understand that fact. He told you to again take up the Democratic platform of 1932. Will you excoriate him for that appeal? Many, many times he and others have warned you against accepting a socialistic platform. Regarding the framers of these socialistic measures he said, "I never heard of them; I would not know one of these under secretaries if you would show him to me; they are not Democrats of whom I have ever heard." This socialistic party is what he is walking out of, not the Democratic Party.

And many of you—if you dared say what is deep down in your hearts—would express similar serious misgivings over what has happened to your party. You deified your candidate of 1932 and promised to bow down and obey. In consequence Congress is now only a rubber stamp. In one vote we gave him, to spend as he pleased, the vast sum of \$4,800,000,000. Never in my political life did I get such a shock as when my friend from Texas, Mr. BLANTON, sitting in front of me—cast his vote for that measure. After all those years of watching and objecting to every small expenditure the exact method of which could not be proven, he suddenly capitulated to the spendthrifts and wasters. The Democratic donkey, like the old gray mare, ain't what she used to be. Perhaps that is one reason why we read in the papers so constantly that Congress has fallen "to its present low estate."

I call your attention now to Governor Talmadge, of Georgia. I have not the time to read all that he says in this article, but I do not want you to miss this political gem. I do not know him, of course, but sometimes even unpopular men can say something in rhyme or epigram which is so pertinent and expressive that it is really helpful. He

draws our attention to these socialistic reform measures, most of which are being proven unconstitutional and proving un-American. Limericks often aptly express the logic of a situation, and I was interested to read at the end of Governor Talmadge's speech the follow lines, in his usual picturesque style:

I thank my God the sun and moon
Are both stuck up so high,
That no presumptuous hand can stretch
And pluck them from the sky.

If they were not, I do believe
That some reforming ass
Would recommend to take them down
And light the world by gas.

[Laughter.]

Somebody from Texas dared to boast about the N. I. R. A. this morning. I did not know there was anyone left who would even suggest that the N. I. R. A. was really good legislation. The A. A. A. has gone. Others are going. What will be left? Later on, when you are tempted to boast of some of your other reforms, I shall wish to have something to say about the meager results obtained, compared with the enormous expenses already incurred and which must be continued almost indefinitely.

The gentleman from Virginia who made the opening speech this morning was probably not, at heart, with Al Smith in 1928, since his State voted for Hoover. My good friend from Virginia can do better than he did today. He should not employ the arts of the demagogue on Governor Smith. He received great applause from your side when he said probably there was not a man at the Liberty League dinner who had gone without a meal during the last 2 or 3 years. That is a demagogic utterance. It is not argument. It is not answering Governor Smith. He was evidently selected to reply to the arguments advanced by the Governor. He did not even attempt to do so. I know but little about the Liberty League. I do not belong to it myself. But I thank them for any contribution they may make to me or to you, by providing us with information. I am not identified with the organization. It am not one of those who has any reason whatsoever to join in protecting what some of us have characterized as "entrenched greed", and I do not for a moment believe that the league does stand for that sort of thing. Yet, if we should attempt to champion it we, too, would come in for violent abuse.

Mr. BLANTON. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. BLANTON. Is my friend from Massachusetts jealous of the gentleman from Virginia [Mr. WOODRUM] because he received applause?

Mr. GIFFORD. Oh, no; but I am sorry for any gathering that will applaud demagogic appeals. This seems to be a court this afternoon. You are sitting here to try Al Smith. I wish you to be like the judge the gentleman from Texas would be if he were sitting on the bench in a trial. If a lawyer attempted to draw tears from the jury by such a type of appeal, I am sure that he would remind them in his charge that the facts are what they have to consider, not the emotional appeal.

Mr. BLANTON. But the gentleman from Virginia did get applause, and I have not heard any yet for the gentleman's speech.

Mr. EKWALL. You will in just a few minutes.

Mr. GIFFORD. I do not come here attempting to bore for tears or court applause.

Mr. HOFFMAN. Will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. HOFFMAN. Does the gentleman not think if he brought the Members of the Senate and the Cabinet over to hear him he would have gotten some applause?

Mr. GIFFORD. I am not looking for applause, I am not sorry to say. The gentleman from Virginia [Mr. WOODRUM] portrayed the improvement in business. I asked him to yield. I would not have done it had I known that he had stated his refusal to yield at the beginning. He was very

wise. The gentleman had read the papers so assiduously on yesterday. Well, I read them also. I noted the downward trend of business during the last 10 days or 2 weeks.

I noted the plight of our dollar in nearly all the nations of the world, as set forth in the newspapers yesterday. What is the reason for it. What has happened lately? It was not Al Smith's speech that caused it. We know the cause, however. Keep on balancing the Budget the way you are doing. You cannot continue to fool the people after the Budget debacle of the past 2 weeks. Business knows and financial experts know what it means, and since there is no attempt being made to raise additional revenue they have good reason to fear further tinkering with the currency itself. Of course business has been improving, in spite of all this. Governor Smith told you why in his speech. I did not expect to speak this afternoon, but I recognized that you were holding court on Governor Smith, and I did not wish a demagogic, personal attack resorted to when Mr. Smith has presented such a plain, clear-cut case that merits real argument.

Mr. HOUSTON. Is it not true that it is rumored the Republican Party is going to nominate Al Smith for President?

Mr. GIFFORD. I do not think so. One of you fellows said once that any Democrat was better than any Republican.

Mr. BLANTON. Is not that so?

Mr. GIFFORD. I believe the gentleman thinks so. Looking over this Republican delegation can you not find one big enough to match the poorest of your membership? I fear the gentleman thinks not.

Mr. BLANTON. That is not our fault.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. GIFFORD. I yield.

Mr. EKWALL. I just want to admonish the gentlemen on the other side that if they will only be patient, we will show them a candidate who will run them clear out the back door next time.

Mr. BLANTON. When? Who?

Mr. HOUSTON. Who? Name him.

Mr. GIFFORD. Al Smith told them there is only one pair of ears the news has not reached yet.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a brief question?

Mr. GIFFORD. I yield.

Mr. MILLARD. The gentleman heard the orator from Oklahoma optimistic for the Democrats. Does the gentleman think he reads the Literary Digest?

Mr. GIFFORD. If he does not, I have the Digest poll right here and shall be glad to read it to him. Of all the oratorical speeches that have been made here this afternoon, no one has even attempted to answer Governor Smith; they were personal attacks. Must we wait until tomorrow night, holding our breath in expectation, that the leader in the other body will annihilate his former party candidate, who rode with him in 1928 as candidate for Vice President?

Mr. HOUSTON. Mr. Chairman, will the gentleman yield for a question?

Mr. GIFFORD. I yield.

Mr. HOUSTON. Is my friend from Massachusetts supporting the Borah-Fish ticket?

Mr. GIFFORD. Oh, no. I have no candidate as yet.

Mr. HOUSTON. I thought maybe that was the ticket our good friend was referring to.

Mr. GIFFORD. I am telling my people in emphatic terms that all we desire is a good candidate; that the next campaign is to be on issues. Has not the gentleman heard about that? And we have plenty of issues, as important as any ever presented to the country, particularly the Constitution. It will be a campaign of real patriotism. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 4 minutes to the gentleman from Oklahoma [Mr. GASSAWAY].

Mr. GASSAWAY. Mr. Chairman, every time I hear a speech like Al Smith's speech it makes me think more of

Judas Iscariot and Aaron Burr, especially when I stop to consider that Al Smith was made by President Roosevelt.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. GASSAWAY. Yes.

Mr. EKWALL. Are both those gentlemen members of the Democratic Party? [Laughter.]

Mr. GASSAWAY. Mr. Roosevelt is. Incidentally, I want to apologize to this House for the fact that I made 104 speeches for Al Smith in 1928.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. GASSAWAY. I yield.

Mr. ANDREWS of New York. Can the gentleman give me some suggestion as to why no gentleman of the Democratic Party or from New York State, or from the North has seen fit to answer Al Smith's charges or to defend them?

Mr. GASSAWAY. I do not know about that, but I would sure enough like to answer them; and I believe that any man with common intelligence or decency could answer them. I will say to the gentleman that he is just taking up some of my time, and I have used only 2 minutes' time since I have been in the House. Al Smith was most certainly unfair and unkind to a friend who had been kind to him on two specific occasions that I know of in a national convention and nominated him for President of the United States.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a brief question before he proceeds?

Mr. GASSAWAY. No; the gentleman just wants to use up my time.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 additional minutes to the gentleman from Oklahoma.

Mr. MILLARD. The gentleman stated that the President had made Al Smith. Is not the gentleman mistaken? Did not Al Smith make the President?

Mr. GASSAWAY. No; and the gentleman knows better than that.

Mr. MILLARD. The people of New York believe to the contrary.

Mr. GASSAWAY. Well, Roosevelt happens to be President and Al Smith is not President. That takes care of that matter.

Mr. Chairman, I just come from the State of Oklahoma, but I know what is fair and square. The gentleman on the other side are just popping off a little bit about Al Smith's speech the other night, but they do not like him any better than I do. There is not a decent Republican here who likes him. Take the Republican Members who sit on the Judiciary Committee with me. I love them, and they know I do. Those Members do not admire Smith. No. They despise him just exactly as I do. Al Smith has turned—I do not know for how many pieces of silver, but he has turned against his friends. [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN of Pennsylvania. Mr. Chairman, I do not believe that we Democrats ought to consume a great deal of time condemning the Republicans. Do you know that most of us who call ourselves Democrats, and may I also include Franklin D. Roosevelt—one of the most progressive and humanitarian men that ever occupied the White House—would not have been elected to office had it not been for the Republicans voting for the Democratic candidates? In the primary election in 1932 there were but 750 registered Democrats and 33,000 registered Republicans in the district which I represent. I was successful in securing the Democratic nomination.

Mr. MORITZ. Will the gentleman yield and tell us what his total vote was on the Democratic side?

Mr. DUNN of Pennsylvania. Yes. In the general election that vote of 750 increased to 34,000.

Mr. Chairman, in 1932 our country was in a terrible plight and had it not been that a man like Roosevelt was elected President we would have had a revolution.

I am now going to tell you something that most of you do not know. On about the 5th of January 1932 I was one of 25,000 men who came to Washington, led by Rev. James R. Cox, pastor of St. Patrick's Church, Pittsburgh, Pa.. At that time I was a member of the Legislature of Pennsylvania. When I heard that Father Cox, the champion of the oppressed, was going to lead this army I did not hesitate to inform my colleagues in the legislature that I was going on that march with Father Cox, who had the courage to lead an army of unemployed to Washington to see if something could not be done for them. May I inform the Members of the House the unemployed men who came to Washington were desperate—in fact, I heard many of them say they would be willing to storm the White House if Father Cox would say the word.

Mr. Chairman, since President Roosevelt has been in office there has been no march of the unemployed to Washington. He has prevented that by the humanitarian legislation he was instrumental in having Congress pass. It is a fact that some of the legislation which has passed was declared unconstitutional.

For example, when the N. R. A. was functioning the salaries of employees were increased and the hours of labor were decreased. This morning I was informed by an elevator operator that he is now working 12 hours a day and does not get a day off in a month. He said that when the N. R. A. was in effect he worked only 8 hours a day and 6 days a week. Since the repeal of the N. R. A. the salaries of the employees in many of the chain stores and other business institutions were decreased and the hours of labor have been increased.

Let us take the Social Security Act, which provides pensions for the aged, unemployment insurance, and other worth-while measures. It is true that the pensions provided for in the bill for the aged are inadequate but, nevertheless, the act in itself is an excellent foundation on which adequate pensions and other constructive legislation can be based. In other words, a great deal of the legislation which President Roosevelt sponsored is outstanding, because it applies not only to the unfortunates of our country but also to all who labor for a livelihood.

We Members of Congress can solve the economical problems of our country if we will permit ourselves to be actuated by humanitarian motives instead of selfish ones. The opponents of the New Deal maintained that the legislation the President has sponsored is socialistic and communistic. If socialism or communism means employment for the unemployed at a saving wage, adequate pensions for the aged, unemployment insurance, abolition of poorhouses, and wiping out the slum districts of our country, then, damn it, let us have socialism or communism!

I hope that the time is not far distant when the Democrats, Republicans, Farmer-Laborites, Progressives, and those affiliated with all other parties will put party politics aside and pass legislation which will benefit humanity. There is no need for a depression. The people should be employed at all times. Our natural resources are inexhaustible. They are not worth billions of dollars but are worth trillions of dollars.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. DUNN of Pennsylvania. I yield.

Mr. KNUTSON. The gentleman states that our resources are worth trillions of dollars.

Mr. DUNN of Pennsylvania. Yes; I said trillions.

Mr. KNUTSON. A trillion is a thousand billion, as I recall. Then we cannot depend upon Government figures, which gave the total assets of this country in 1929 as \$350,000,000,000, or only about one-third of a trillion.

Mr. DUNN of Pennsylvania. The amount to which you have referred, the \$350,000,000,000, means the property and resources now in operation. I still maintain that our undeveloped resources are worth trillions of dollars.

Mr. KNUTSON. And the gentleman could go further and talk about the fertility of the soil and the stuff we are going

to take out of the soil in the next thousand years, which would bring our potential assets up to quadrillions.

Mr. DUNN of Pennsylvania. Yes; they are really worth that. Our developed and undeveloped natural resources should not be determined by those metals called gold and silver. They could evaporate overnight and we would not starve or thirst to death. Is it not a fact that we can destroy a tree in less than 5 minutes, but it takes many years to grow a tree?

Mr. MORITZ. Mr. Chairman, will the gentleman yield?

Mr. DUNN of Pennsylvania. I yield.

Mr. MORITZ. I want to congratulate the gentleman on saying that there is nothing sacred about political parties. The gentleman has shown this, because the people of Pittsburgh have all turned Democrats because that was their only salvation. [Applause.]

Mr. DUNN of Pennsylvania. In conclusion I wish to state that next November the citizens of the United States will decide whether or not they believed in the legislation sponsored by the President. The fact that many of the labor organizations in the United States have already endorsed President Roosevelt's policies is a good indication that he will be reelected to the high office he now holds. The Republicans and Democrats ought to unite in behalf of Roosevelt because his legislation is nonpartisan. [Applause.]

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. EATON].

Mr. EATON. Mr. Chairman, I have observed the distress and dismay of my brethren on the Democratic side today with great sympathy, and while the role of a peacemaker in a family row is always dangerous, if they will permit me, I would like to make a suggestion as to the easiest way out.

The Democratic Party, for which I have real respect—if I were not a Republican I would probably be a Democrat—I am a Jeffersonian Democrat in much of my thinking now—the historic old Democratic Party looks to me like a fine, venerable gentleman of high standing who got along in years and being somewhat lonely decided to marry a young wife. She was beautiful, brilliant, spoke his language, and seemed designed by Providence to inspire and comfort his declining years; so he married her.

Everything went along beautifully for a few months. Then she began to change. Women will. She began to speak in loud, dictatorial, and domineering tones when he came home, telling him what to do, and how and when to do it—"must" legislation, for instance. Then she went out and without his consent or authority ran heavy bills in all directions, which he did not feel quite able to pay, but which he felt compelled to pay in order to protect his good name. Then, worse still, she began to go out with strange men described by the neighbors as "brain trusters." At last came the dinner Saturday night, which threatens to become the most embarrassing episode in the old gentleman's experience.

I have been surprised that some of these New Yorkers have not stood up here today for Al Smith. He is their leader, and he will continue to be, come hell or high water.

Now, I want to suggest to this venerable, high-class gentleman a course of procedure which I think he ought to take, and which will restore his peace of mind and reestablish him in the confidence of the community. I think he ought to apply at once for a divorce on the ground of extreme mental cruelty and incompatibility of temper.

Mr. EKWALL. And desertion.

Mr. EATON. And desertion, and I believe that he will be granted that divorce in the court of public opinion, and without alimony. Now, my beloved Democratic brethren, that is as far as I can go. I do not know whether you will take my advice or not, but it is offered in the spirit of helpfulness in this hour of your deep distress and grief.

Mr. BEITER. Mr. Chairman, will the gentleman yield?

Mr. EATON. I am of a yielding disposition.

Mr. BEITER. And that alimony will be paid, I suppose, by the Liberty League.

Mr. EATON. Well, if you want to work it off on somebody else, that will show that you are smart. [Laughter.]

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent to extend my remarks made earlier in the day.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LEE of Oklahoma. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. MEAD].

Mr. MEAD. Mr. Chairman, there have been so many political speeches delivered today that any further attempt on my part to continue that sort of discussion would lack interest and probably result in the evacuation of the House. I want to talk about a more important subject—a subject that every man and woman in this House ought to be constantly talking about, thinking about, and doing something about; a subject that the world is seriously seeking an answer to today.

Talking about Republicans and Democrats, about their being liberals or radicals, or talking about a Democrat and referring to him as a socialist is all thin air when you think of what is happening around us. Hidebound, reactionary Republicans and progressive, forward-looking Democrats are found today in movements that would be alarming to the average Member, whether he sat on the Democratic or Republican side of the aisle a few years ago. Men are coming to Congress with ideas which are strange to both radicals and reactionaries of a few years ago.

Why this change? It is coming about, my friends, because we have not yet solved the one enigma of the century, and that is the problem of distribution. We can stand here and talk politics from now until doomsday, yet people back home will leave both parties unless we solve that problem of unemployment.

A few days ago we were treated to a very interesting philosophical address by that distinguished student and scholar from Texas, the chairman of the Committee on the Judiciary. He told us of the coming of the Triple A, of the great benefits which resulted to agriculture from that Act. He told us in no uncertain terms that agriculture was the basic industry upon which the prosperity of every other industry depended. He explained to us that under that act, an affirmative and direct act, agriculture had prospered and that its income had risen from \$4,000,000,000 in 1932-33 to approximately \$7,000,000,000 last year.

He told us how wheat had struck the lowest price in a century when it sold for 42 cents in the concluding year of the previous administration, and how it had reached a new high under the present administration when it went over 96 cents. Above all, he admonished us to hold that gain and to hold it by law, by giving our thought, time, and attention to it to prevent that low price level from returning to scourge this Nation again.

There is another matter as important as is a prosperous agriculture, which I desire to discuss with you today, and I want to explain to you the recent attitude of both political parties insofar as the labor question is concerned. The Democratic Party traditionally has been the friend and advocate of direct labor legislation. The Republican Party has been the traditional advocate of indirect labor legislation.

Since the turning of the century, we have had two progressive eras in the political history of our country—one under the late Woodrow Wilson and the other under the present President of the United States. If you look at the record, you will agree with me that in both administrations the Democratic Party attempted to solve the labor question by direct, affirmative action. On the other hand, the Republican Party, not content with the repeal, modification, or weakening of those direct attempts, went on to settle the problem by giving to the special interests of the country protective-tariff legislation, by modifying, diminishing, and reducing taxes on wealth, and giving industry a freer hand by which it might work out its destiny, leaving labor to the crumbs that might be dropped to it.

The Democratic Party, in keeping with its tradition, enacted the N. I. R. A.

In order that I may not be criticized, I have here in the CONGRESSIONAL RECORD the roll call listing the men and women of this House who took their stand in this Chamber for or against that measure. I find, on reading the RECORD, that there were Members on both sides of the aisle defending it because of its being constitutional, and I also find a few individuals on both sides opposed to the legislation because, in their opinion, it was not constitutional.

When the N. R. A. was passed there was not only an authority given by direction, there was a mandate to wipe out child labor and to eliminate the sweatshop. There was also authorized the shorter work periods and higher wage scales. And after you digest the philosophy of the N. R. A., if you will look over the labor legislation under Woodrow Wilson, you will find there a similarity that will prove the point I am trying to make, that there was an attempt by direct action to solve the labor problem.

During the administration of Woodrow Wilson an effort was made to increase the wages of labor and give labor the right to collective bargaining. Also an effort was made to destroy the injunction against labor. An effort was made to wipe out the "yellow dog" contract against labor, and labor was given the dignity and prominence accorded to industry, a place in the Cabinet of the President.

Direct and affirmative action was not only given the administration in the days of Woodrow Wilson but under President Roosevelt we find a similar effort to give labor the right to bargain collectively and an act to prevent the "yellow dog" contract. Also another measure to destroy the power of injunction against labor and give labor the right, through its own organized power, to shorten work periods and increase wage standards.

We did this not by indirection, but by direction. The Democratic Party undertook to solve it, not by indirection, the philosophy of the Republican Party, but by direction, by positive, friendly acts of Congress.

The N. R. A. restored 3,000,000 jobs to the unemployed. It buoyed up the buying power by approximately \$3,000,000,000; but machines and power have destroyed more labor opportunities since the coming of the N. R. A. than N. R. A. could create. More than that, there are over a million boys and girls becoming of working age each year, and with lessened and diminished working opportunities they only increase the number of unemployed. Unless something akin to the N. R. A. is adopted, unless that twilight zone which allows the exploiters of labor to escape between Federal and State authority, then by 1945, if labor-saving devices continue in the future as they have in the past, there will be 20,000,000 wage earners in America without work.

Today there are 17,000,000 of our population between the ages of 45 and 60 years, and the bars are up against them in industry; they are, in the estimation of some, too old to meet the requirements of the high-powered, efficient machines of today. But again, the affirmative and positive action of the Democratic Party must take place or we do not solve the labor problem.

Mr. McCORMACK. Will the gentleman yield?

Mr. MEAD. I yield gladly.

Mr. McCORMACK. In connection with the N. R. A. the gentleman has made a very powerful and constructive speech, which I think most of us agree with. I know I agree with it. I think this is a very excellent place to put in the RECORD that before the passage of the N. R. A., business, with practical unanimity, urged the Congress to pass N. R. A. legislation.

Mr. BANKHEAD. Will the gentleman yield briefly in another connection at that point?

Mr. MEAD. I will be glad to yield.

Mr. BANKHEAD. I do not know whether the gentleman has secured permission to revise and extend his remarks, but inasmuch as our party is being constantly assailed about some of the New Deal measures I trust the gentleman will incorporate the vote to which he has just referred on the adoption of the N. R. A. and indicate which Democrats and which Republicans voted for it.

Mr. MEAD. I shall be very glad to do that.

In following up the statement made by the distinguished gentleman from Massachusetts [Mr. McCORMACK], let me say

there was little opposition in this House or in the other Chamber or in the press or as far as public opinion was concerned when we were passing recovery measures. When we were passing recovery measures in this House—and that included the A. A. A., the N. R. A., and the rest of the so-called alphabetical list which applied to recovery—we were the white-haired boys of the exploiters of American labor.

If we dared to vote against our President, then we were marked men back home. It was not until we had completed the recovery program, after we had taken care of the wreck and ruin by opening the Treasury through the Reconstruction Finance Corporation and other media in order to rehabilitate the insurance companies, the railroads, the banks, and other industries from their losses, only when we turned to prevent the coming of another wreck, only when we turned to reform measures, that we were put on the spot and denounced by big business throughout the country. [Applause.] Now they attack the reform program by condemning the recovery program which they favored and which saved them.

Now, so that you will be sure I am right, I say our philosophy of recovery and reform in no way retards recovery.

There is nothing wrong, as I see it, with the program adopted, with the help of many of the Republicans in this House, looking toward recovery and reform, because this is the record. And every morning, in order that you may enjoy your breakfast, let me make this suggestion to you: After glancing at the news look at the financial and market pages of our papers. You will find that production is almost back to the high peak of 1929. You will find earnings, dividends, and profits soaring to new heights, prices of stocks and bonds looking better than they ever did.

However, proving that I am right, that we have a problem difficult to solve, that we have an enigma which challenges the wisdom of statesmen the world over, one that is giving an opportunity to those outside of political parties to attempt, either by good methods or bad, to solve this question, new leaders are coming up in our midst because of the growing problem of unemployment and the discontent and unrest associated with it. That is true in this country and in every other industrial country of the world. Unless we put our minds to the task and solve it, someone will solve it for us; they will solve it in their own way without any aid from us.

I said a moment ago the Democratic Party has an affirmative plan and the Republican Party has one of negation. I want to summon a great Republican as my witness today to prove that statement. This is his letter to the chairman of the Republican National Committee. It is signed by Frank E. Gannett, publisher of a chain of conservative newspapers:

As a Republican, I earnestly urge the national executive committee and all leaders of our party to concentrate on these issues:

1. How can the American economic system be made to function, within the Constitution, so private business can put 10,000,000 idle back to work?
2. How can the income of agriculture be raised, by constitutional means, so that the wage of ten and one-half million Americans gainfully employed in farming shall be more than \$1.39 a day, including the A. A. A. benefits, as in 1934?

Our program must be affirmative, not merely negative. We must convince the country that our policy can restore the whole people's well-being with economic freedom; that we can make capitalism function again under the Constitution so as to restore prosperity to farm and city, give equality of opportunity to all, and the added social security of as many jobs as there are workers.

"Our program", he says, "must be affirmative, not merely negative"; and this is just what I have been saying. The affirmative, positive advocate of labor is the Democratic Party, and in the only two progressive eras since the turn of the century we find that to be the record. They tried by all practical means to ban child labor, to give labor the right to organize and bargain collectively, to shorten the work period and increase wage standards. To ban the injunction and "yellow-dog contracts" used against labor. The Democratic Party made the American sailor the freeman of the seas; it gave our wage earners liberty of action. The Democratic Party is the positive, affirmative voice of American labor.

In concluding his letter Mr. Gannett proves my argument, because he says:

Our program—

Referring to the Republican program—

must be affirmative, not merely negative.

Mr. Chairman, the one big problem confronting the American people is the problem of unemployment. The one party that has a program, a positive, direct program, is the Democratic Party; and the one party that can and will, because it has the courage, the vision, the leadership, and the progressive spirit to solve this question, is the Democratic Party. [Applause.]

What is the difference between the two parties today? The Democratic Party has a positive plan and you know its every detail. The Republican Party must, of course, have a plan and you all know its details. They believe in balancing the Budget; in reducing the taxes on wealth; they believe in a restoration of tariff barriers; they believe in the elimination of Federal relief agencies; they would stick to gold when almost every other nation sought to leave it for a controlled currency. What would happen if we balanced the Budget at this time? We would have to abandon the 9,000,000 urban workers and the 10,000,000 rural workers of the country. Local government or private charity could not take care of them, and suffering, even starvation, would be the result. If we balance our Budget by reducing taxation, then the program of social legislation, including unemployment insurance, old-age insurance, widow and dependent-child benefits, will, of course, have to be repealed. It means the youths who are now working in the camps will be consigned to the street corners. It means that the public-works program and the W. P. A. program that have given work opportunities to our people will be abandoned and those there employed will join the ever-growing army of the unemployed. This cannot be done; this will not be done.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. MEAD. Our plan will insure a permanent public-works program. The youth of our country—those boys who, becoming of working age and armed with a diploma, walk from employment agency to employment agency, only to be disappointed—will be given the satisfying experience of finding a job where they can enrich this great Nation of ours. Our public-works program will be continued especially for those men between the ages of 45 and 60 who are boycotted now by industry. If industry does not take them there is only one agency in the world to which they can turn, and that agency would be less than human if it did not take them. That agency is the Federal Government. Our party will take care of them by the continuation of a permanent public-works program that will favor these groups now unable to find employment in industry.

We will continue our affirmative and direct attack by insuring through every legal means an opportunity for the worker to increase his wages and to reduce his working period, an example we set when we passed the 5-day week for postal employees. When the 5-day week becomes universal, then we shall have diminished our problems to the point where normal thinking will set in again, to the point where we shall be able to solve without difficulty our remaining questions.

We find Republicans leaving their party, becoming Progressives, Farmer-Laborites, or associating with the Democratic Party, because they are dissatisfied with their party's negative labor program. I cannot blame them, because they are looking for direct action, and if they cannot find it in the old conservative party, then they are going to leave that party, as they did when State after State west of the Mississippi River turned to the Democratic or Progressive Parties.

The old theory that the situation will adjust itself if we but take care of wealth and of industry is now but a relic of a backward age. It will not work in this machine age.

For 30 years, since the coming of the automatic machine, this problem has grown worse. If it had not been for the tremendous rise in business volume during the last 3 years

we would have had an unemployment problem of nearly 20,000,000 instead of less than 9,000,000. We are rapidly becoming a nation of machine attendants; the electric eye throws open the gates and the doors; electrical devices run our elevators; telephones are operated without the switch-board operator; locomotives are bigger and more powerful; airplanes are more rapid and carry greater loads; ships are speedier and carry tremendous tonnage. We now have the mechanical robot, the electric eye, the electric-power motor, remote-control devices, and other labor-saving contrivances; Henry Ford tells us that the time is coming when the machine will manufacture the machine. All man will have to do then will be to enjoy the machine if he has any purchasing power left to buy the machine.

Either we will control the machine or the machine will control us, and we will never control it by indirect action or by the negative plan of the Republican Party.

I am inserting herewith in my remarks the roll-call vote on the national industrial-recovery bill—H. R. 5755—as requested by Mr. BANKHEAD:

The SPEAKER. The question is on the passage of the bill.

Mr. RAGON. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 325, nays 76, answered "present" 1, not voting 28, as follows:

Yeas—325: Adair, Adams, Allgood, Almon, Andrews of New York, Arens, Arnold, Auf der Heide, Ayres of Kansas, Bacharach, Beam, Beedy, Beiter, Berlin, Biermann, Black, Blanchard, Bland, Blanton, Bloom, Boehne, Bolleau, Bolland, Boylan, Brennan, Britten, Brooks, Brown of Kentucky, Brown of Michigan, Browning, Brunner, Buchanan, Buck, Bulwinkle, Burch, Burke of California, Burke of Nebraska, Burnham, Byrns, Cady, Caldwell, Cannon of Missouri, Carden, Carley, Carter of California, Carter of Wyoming, Cary, Celler, Chapman, Chavez, Church, Claiborne, Clark of North Carolina, Clarke of New York, Cochran of Missouri, Coffin, Colden, Cole, Collins of California, Colmer, Condon, Connery, Cooper of Ohio, Cooper of Tennessee, Cravens, Crosby, Cross, Crosser, Crowe, Crowther, Crump, Culkin, Cullen, Cummings, Darden, Dear, Delaney, DeRouen, Dickinson, Dickstein, Dies, Dingell, Dirksen, Dobbins, Dockweiler, Dondero, Doughton, Douglass, Doutrich, Doxey, Drewry, Driver, Dufey, Duncan of Missouri, Dunn, Durgan of Indiana, Eagle, Eicher, Englebright, Evans, Faddis, Farley, Fernandez, Fiesinger, Fitzgibbons, Fitzpatrick, Flannagan, Fletcher, Focht, Ford, Foss, Foulkes, Frear, Fuller, Fulmer, Gambrell, Gasque, Gavagan, Gibson, Gilchrist, Glover, Goldsborough, Goss, Granfield, Gray, Green, Greenwood, Gregory, Griffin, Haines, Hamilton, Hancock of North Carolina, Harlan, Hart, Harter, Hastings, Healey, Henney, Hess, Higgins, Hildebrandt, Hill of Alabama, Knute Hill, Samuel H. Hill, Hoeppel, Hoidale, Holmes, Howard, Huddleston, Hughes, Imhoff, James, Jeffers, Jenckes, Jenkins, Johnson of Minnesota, Johnson of Oklahoma, Johnson of Texas, Johnson of West Virginia, Kahn, Kee, Keller, Kelly of Illinois, Kelly of Pennsylvania, Kennedy of Maryland, Kennedy of New York, Kenney, Kleberg, Kloebe, Kniffin, Knutson, Kociakowski, Kopplemann, Kramer, Lambeth, Lamneck, Lanzetta, Larrabee, Lea of California, Lee of Missouri, Lehr, Lemke, Lesinski, Lewis of Colorado, Lewis of Maryland, Lindsay, Lloyd, Lozier, Lundeen, McCarthy, McClintic, McCormack, McDuffie, McFarlane, McGrath, McGugin, McKeown, McLeod, McMillan, McReynolds, McSwain, Major, Maloney of Connecticut, Maloney of Louisiana, Mansfield, Marshall, Martin of Colorado, Martin of Oregon, May, Mead, Meeks, Millard, Miller, Milligan, Mitchell, Montet, Moran, Morehead, Mott, Muldowney, Murdoch, Musselwhite, Nesbit, O'Brien, O'Connell, O'Connor, O'Malley, Oliver of Alabama, Oliver of New York, Owen, Palmisano, Parks, Parsons, Patman, Peavey, Peterson, Pettengill, Peyser, Pierce, Polk, Prall, Ragon, Ramsay, Ramspeck, Rankin, Rayburn, Reece, Reilly, Richards, Richardson, Robertson, Robinson, Rogers of New Hampshire, Romjue, Rudd, Ruffin, Sabath, Sadowski, Sanders, Sandlin, Schaefer, Schuetz, Schulte, Scrugham, Sears, Secrest, Shallenberger, Shoemaker, Sinclair, Sirovich, Sisson, Smith of Virginia, Smith of Washington, Smith of West Virginia, Snyder, Somers of New York, Spence, Steagall, Stubbs, Studley, Sullivan, Summers of Texas, Sutphin, Swank, Sweeney, Taylor of Colorado, Taylor of Tennessee, Thom, Thomason of Texas, Thompson of Illinois, Thurston, Tobey, Traeger, Treadway, Truax, Turner, Turpin, Umstead, Underwood, Utterback, Vinson of Georgia, Vinson of Kentucky, Wallgren, Walter, Warren, Weaver, Weldeman, Welch, Werner, West of Ohio, West of Texas, White, Whittington, Wilcox, Wilford, Williams, Wilson, Withrow, Wolcott, Wolverton, Wood of Georgia, Woodruff, Woodrum, Young, Zioncheck.

Nays—76: Allen, Andrew of Massachusetts, Ayers of Montana, Bacon, Bailey, Bakewell, Beck, Bolton, Brumm, Busby, Carpenter of Kansas, Carpenter of Nebraska, Cartwright, Castellow, Cavicchia, Chase, Christianson, Cochran of Pennsylvania, Collins of Mississippi, Connolly, Cox, Darrow, Deen, Ditter, Eaton, Edmonds, Ellzey of Mississippi, Eltse of California, Gillette, Goodwin, Guyer, Hancock of New York, Hartley, Hollister, Hooper, Hope, Jacobsen, Jones, Kinzer, Kurtz, Kvale, Lambertson, Lanham, Lehlbach, Luce, Ludlow, McFadden, McLean, Mapes, Martin of Massachusetts, Merritt, Monaghan, Parker of Georgia, Parker of New York, Powers, Ransley, Rich, Rogers of Massachusetts, Rogers of Oklahoma, Seger, Shannon,

Stalker, Stokes, Strong of Texas, Swick, Taber, Tarver, Taylor of South Carolina, Terrell, Tinkham, Waldron, Watson, Wearin, Whitley, Wigglesworth, Wolfenden.

Answered "present"—1: Wadsworth.

Not voting—28: Abernethy, Bankhead, Buckbee, Cannon of Wisconsin, Corning, De Priest, Disney, Dowell, Fish, Gifford, Gillespie, Griswold, Hornor, Kemp, Kerr, Marland, Montague, Moynihan, Norton, Perkins, Pou, Randolph, Reed of New York, Reid of Illinois, Simpson, Snell, Strong of Pennsylvania, Wood of Missouri.

So the bill was passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

The Clerk announced the following pairs: Mr. Corning (for) with Mr. Wadsworth (against); Mr. Bankhead (for) with Mr. Snell (against); Mr. Randolph (for) with Mr. Griswold (against); Mr. Pou (for) with Mr. Reid of Illinois (against).

Additional general pairs: Mr. Disney with Mr. Dowell; Mr. Montague with Mr. Simpson; Mr. Fish with Mr. Perkins; Mr. Kemp with Mr. Reed of New York; Mr. Gillespie with Mr. Buckbee; Mr. Hornor with Mr. Gifford; Mr. Strong of Pennsylvania with Mr. Moynihan.

Mr. WADSWORTH. Mr. Speaker, being paired with the gentleman from New York, Mr. CORNING, I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

Now, Mr. Chairman, we must realize that 1779 is not 1936, and what might solve the labor problem in those days will not solve the labor problem of today.

Messrs. Gilbert & Colt, America's Power Resources, New York Century Co., estimated that in terms of manpower "it would require the labor of 3,000,000,000 men to accomplish the work done annually in the United States by our energy resources."

Wayne W. Parrish and Harold F. Clark, in their excellent article in Harper's Magazine entitled "Chemistry Wrecks the Farm", say:

The elimination of the horse by the gasoline engine has reduced the consumption of food as sharply as if 40,000,000 persons had stopped eating.

And quoting from other sources:

Every industry is hell-bent on cutting the cost of labor by the use of labor-saving machines. We rush in to cut labor costs and by cutting out labor we reduce the power of laborers to buy our goods. How silly our little minds think?

The seriousness with which labor-saving machines and automatic production are taking jobs away from human beings may be realized when it is learned that 75 workers can produce as much today as 100 did in 1929.

Furthermore, it is estimated by the United States Department of Labor that automatic production using coal, oil, and water power has provided the same thing as 50 servants for every workman in the country. Thus if we were a hand-labor country there would be 50 jobs for every workman.

The automobile industry is the best-known example of mass production and the consequent elimination of skilled workmen. For example: A western motor-car company is turning out more than 8,000 automobile frames a day with less than 100 push-button employees in the plant. This same production a few years ago would have required 20 times that many workers.

By the natural process of inventing more and more labor-saving machines there will eventually be very little work for anybody to do. And if there isn't any work to do, nobody will have any money to buy anything with and we will have a perpetual depression. We are on our way to that "utopia" today but don't know it.

One of the latest "marvels" for the destruction of labor is a new device which will do all the hand picking of cotton with machines and thus destroy employment for 4,000,000 cotton pickers. Perhaps 1,000 people will be employed to make these machines, but 4,000,000 workers may be added to the relief rolls.

The worshippers of science, invention, progress, and civilization claim that these marvelous inventions may destroy jobs; but they reduce the cost of goods, add luxury to life, and those thrown out of work find employment elsewhere.

Where is this "elsewhere"? Another name for this "elsewhere" is the C. C. C., the W. P. A., the P. W. A., or the relief rolls. There are 9,000,000 suffering souls seeking jobs in this "elsewhere" today.

The idolaters of invention argue that when the steamboat and the steam engine were invented people talked like we do about the destruction of employment. However, these inventions were not labor-saving—they were labor-making inventions.

But America will be safe in these trying times through the intelligent, progressive, and courageous leadership of the Democratic Party and our great party leader who presides over the Republic's destiny today.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I want to discuss a problem this afternoon in which both parties are interested, a problem which I believe is one of the most important confronting Congress. I refer to the old-age pension. I have been a supporter of an adequate old-age-pension law ever since I served my first term in a legislative body in 1921. For 15 years I worked patiently for that cause, hoping that the time would come when the worthy aged of our land would be properly and adequately cared for. While many States have passed so-called old-age-pension laws, these laws are wholly inadequate. Public sentiment now has crystallized to a point where that public not only supports but demands that adequate laws be passed caring for our aged people.

Today many plans are being advocated. The plan that has been discussed most and that claims the greatest support is the Townsend plan. It is that plan I desire to discuss this afternoon. However, before entering into the discussion permit me to say that I feel very kindly toward those, whether Members of this body or not, who are supporting any old-age-pension plan, including, of course, Dr. Townsend and his supporters. I willingly and readily concede to them the same sincerity, the same honesty of purpose, and the same desire to help the aged that I claim for myself. Permit me to say further that, in my humble opinion, Dr. Townsend has done as much or more than any one individual to crystallize public sentiment in favor of an adequate old-age-pension law.

While there are two McGroarty bills, and while there is some talk of a third and revised McGroarty bill being introduced, the Townsend plan I am discussing this afternoon is that advocated by Dr. Townsend himself, both in his official organ, the Townsend Weekly, and in the testimony the good doctor, his agents, actuaries, and supporters gave before the Finance Committee of the Senate and the Ways and Means Committee of the House of Representatives.

The following is the Townsend plan as I understand it:

First. Each retired person 60 years or over, except criminals, will receive \$200 per month. The recent statement on the front page of the Townsend Weekly leaves no question as to the amount to be paid, and reads as follows:

Two hundred dollars per month stands. There has never been, nor will be, any compromise on the \$200 per month provision in the Townsend demands. All statements to the contrary are false.

This \$200 must be spent each month to qualify the applicant for the next month's pension.

Second. Just what will the Townsend plan cost annually? According to the hearings before the House and Senate committees, there are approximately 11,000,000 people in the United States who are 60 years old and over. This number will, of course, increase from year to year as the population increases. Of the 11,000,000, it is reasonable to assume that one-half, or 5,500,000 are women, most of whom are married. The percentage of women whose age is 60 years or more, who are either engaged in business or employed is very small. The percentage of these women who would fail to qualify under this law because they are earning more than the \$200 per month is infinitesimal. Remember the testimony of Dr. Townsend that everyone, regardless as to his wealth, could qualify under the law. Of the 5,500,000 men who would qualify, a small percentage would, in my judgment, be engaged in business or employed, earning over \$200 per month, and certainly the percentage of those who would fail to retire to obtain this pension would be extremely small.

Assuming that 10 of the 11 million people qualify at \$200 per month, the total cost will be \$24,000,000,000 each year. It is upon this amount that my computations are based, as well as upon the testimony given at those hearings. Should you, however, desire to take a smaller number, or only 8,000,000 people, you may do so and simply take 80 percent of the cost figures submitted in the tables to be introduced later. The tremendous expense of administering this law is not included in this \$24,000,000,000 annual cost. Thousands of bookkeepers and accountants necessary to keep the records, make up the pay rolls, and the traveling

expenses; the vast army of employees who will scrutinize 10,000,000 accounts monthly, checking over the value of each article purchased to make sure that the \$200 is spent monthly before the applicant can qualify for the next month's pension—all this cost is not included.

Third. Just how is the \$24,000,000,000 to be raised annually? Dr. Townsend and his supporters advocate a transaction tax of 2 percent, with authority in the President to increase the tax to 3 percent. Let us see just how this tax operates and will be paid. According to Dr. Townsend's testimony before the Ways and Means Committee, each citizen, including, of course, every farmer, must be licensed and pay a tax on every transaction he makes. I quote from page 688 of the record:

Mr. HILL. Turning to section 3, that provides the means for raising the money with which to pay these pensions. It provides a tax of 2 percent on the gross dollar value of each business commercial, and/or financial transaction done within the United States. That may be increased under the provisions of this bill 50 percent or decreased 50 percent by the President?

Dr. TOWNSEND. Yes.

Mr. HILL. That would include practically every business transaction of every nature?

Dr. TOWNSEND. Yes, sir.

Mr. HILL. It would include, of course, the sale by a manufacturer to a wholesaler; the sale by a wholesale merchant to a retail dealer; there would be a tax on sales from the retail merchant to the consumer. That is in the ordinary channels of commerce or business. Would it apply to a farmer who sold a cow or a pig?

Dr. TOWNSEND. Certainly. The farmer will have to be registered. He will have to take out a license the same as anyone else.

Mr. HILL. Would it apply to a housewife who sold a dozen eggs?

Dr. TOWNSEND. The farmer and his wife—

Mr. HILL. Or a pound of butter?

Dr. TOWNSEND. The farmer and his wife will constitute one set of licensees, of course; one business. Their aggregate sales will have to be computed at the end of each month.

Take a concrete illustration. The farmer purchases a flock of sheep, pays a 2-percent transaction tax, adding it, of course, to the cost of the sheep. He shears those sheep, sells the wool to the buyer, paying and adding a 2-percent tax. The buyer sells the wool to the jobber, paying and adding a 2-percent tax. The jobber sells the wool to the woolen mill, paying and adding a 2-percent tax. The woolen mill sells the manufactured garment to the wholesaler, paying and adding the 2-percent tax. The wholesaler sells the garment to the retailer, paying and adding a 2-percent tax. The retailer sells to the consumer or user, paying and adding a 2-percent tax. The consumer pays the entire pyramided tax plus the additional overhead expense of each company or individual through whose hands it has passed from the beginning. If there ever was a tax that was paid by the consumer, and practically every tax is paid by the consumer, the transaction tax is that tax.

There is only one way that that tax can be figured, and that is upon a per-capita basis. Twenty-four billion dollars will have to be paid annually by 122,775,046 people, taking the 1930 census. Without figuring the tremendous overhead mentioned before, the per-capita cost is \$195 for each man, woman, and child in America. The breadwinner of the family will have to earn enough to pay this tax for himself and those dependent upon him. A man with a wife and four children would have to pay \$1,140 each year. I have personally computed the cost of the Townsend plan on a per-capita basis and compiled a table for each of the 11 counties in my district. I have also compiled a separate table for each of the 11 counties in my district, showing the cost by townships. These tables show the population under the 1930 census, the assessed valuation of each township, city, and county in my district, and what it will cost that township, city, or county annually if we have the Townsend plan in force.

I here ask unanimous consent to place into the Record table 1, which gives that information for the 11 counties in my district; table 2, which is the same computation for my home county of Missaukee by townships, one of my smallest counties; and table 3, which gives the same computation for the county of Muskegon by townships and cities, the largest county in the district.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The tables are as follows:

TABLE 1.—Annual cost of Townsend old-age-pension plan on a per capita basis by counties, and population and assessed valuation of each county in the Ninth District of Michigan

County	Population	Assessed valuation	Annual cost
Mason	18,756	\$15,244,365	\$3,563,640
Missaukee	6,992	3,443,485	1,363,440
Leelanau	8,206	5,674,590	1,600,170
Lake	4,006	2,551,585	781,170
Benzie	6,587	4,302,411	1,284,465
Grand Traverse	20,011	15,217,511	3,902,145
Manistee	17,409	13,289,198	3,294,755
Wexford	16,827	10,349,758	3,281,265
Oceana	13,805	10,451,523	2,691,975
Newaygo	17,029	14,874,465	3,320,655
Muskegon	84,630	74,669,579	16,520,850
Total	214,318	170,068,470	41,791,010

Annual cost is \$195 per capita, or 24.7 percent of assessed valuation, ranging from 39.6 percent for Missaukee County to 21.3 percent for Muskegon County.

TABLE 2.—Annual cost of Townsend old-age-pension plan on a per capita basis for Missaukee County by townships, giving assessed valuation of each township and population

Township	Population	Assessed valuation	Annual cost
Aetna	513	\$247,660	\$100,035
Bloomfield	236	129,315	46,020
Butterfield	294	143,890	52,330
Caldwell	377	188,610	73,515
Clam Union	801	338,825	156,195
Enterprise	135	110,910	26,325
Forrest	206	132,840	40,170
Holland	221	93,950	43,095
Lake	351	243,685	68,445
Norwich	299	205,725	58,305
Pioneer	151	87,725	29,445
Reeder	1,094	254,025	213,330
Lake City		259,575	
Riverside		354,055	
Richland	878	357,115	171,210
McBain	463	145,080	90,285
West Branch	209	150,300	40,755
Total	6,992	3,443,485	1,363,440

¹ Lake City was incorporated since last census.

TABLE 3.—Annual cost of Townsend old-age pension plan on a per capita basis for Muskegon County by townships, giving the population and assessed valuation of each township

Township	Population	Assessed valuation	Annual cost
Blue Lake	112	\$362,335	\$21,840
Casnovia	1,292	1,193,720	251,940
Cedar Creek	332	295,470	74,490
Dalton	1,080	953,295	210,600
Eggleston	948	499,980	184,860
Fruitland	689	1,128,685	134,355
Fruitport	1,454	705,362	283,530
Holton	775	572,595	151,125
Laketon	639	423,365	124,605
Montague	1,161	356,340	226,395
City of Montague		530,695	
Moorland		615,875	
Muskegon	10,232	1,698,650	1,994,240
Norton	3,156	3,475,856	615,420
Ravenna	1,208	1,222,850	235,580
Sullivan	542	335,891	105,690
Whitehall	1,472	1,148,068	287,040
White River	308	626,980	60,090
Cities:			
Muskegon	41,390	45,832,847	7,071,050
Muskegon Heights	15,584	10,861,875	3,038,680
North Muskegon	1,370	1,798,845	267,150
Total	84,630	74,669,579	16,520,850

Mr. ENGEL. I call attention to the fact that according to the 1930 census the population of the Ninth District of Michigan was 214,318. The assessed valuation in 1935 of the entire district was \$170,068,470. The annual cost of the Townsend plan to the Ninth Congressional District on a per-capita basis would be \$41,791,010, or 24.6 percent of the assessed valuation of the district. This annual cost ranges from 39.6 percent of the assessed valuation of my home county of

Missaukee to 21.3 percent of the assessed valuation of the largest county—Muskegon. The little county in which I live has a population of 6,992. The assessed valuation is \$3,443,485. The annual cost of the Townsend plan to that county would be \$1,363,440. In other words, Missaukee County would pay each year a sum equal to 39.6 percent of its assessed valuation. Muskegon County, the largest county in the district, has a population of 84,630. The assessed valuation in 1935 was \$74,669,575. The annual cost on a per-capita basis would be \$16,520,850, or 21.3 percent of the assessed valuation, and bear in mind, this would have to be paid each and every year.

In 1931 the city of Detroit owed, as I recall it, \$426,000,000. These obligations were outstanding in bond issues and notes and most of them were to be paid in 20 or 25 annual installments. These bonds had been purchased mostly by banks with depositors' money and life-insurance companies with moneys paid in premiums by the public generally. Due to the apparent inability of the city of Detroit to meet both principal and interest, these bonds had dropped from 100 to 57. If these bonds went into default, it meant that in all probabilities they would drop in value to 25 cents on the dollar. It was to prevent this from happening that the governor called a special session of the legislature at the request of the city of Detroit and its businessmen, in trying to solve this problem. Two Members of the Senate and two Members of the House were appointed on a committee to revamp a bill which had been introduced. I happened to have been one of the two Members of the Senate appointed on that committee. The bill was introduced and passed, authorizing the issuing of an additional \$20,000,000 in bonds to pay interest and prevent this \$426,000,000 in obligations from going into default. The city of Detroit was unable to pay the interest on these obligations and the actual installment of principal on a 20- to 25-year basis.

If anyone had then or would now advocate the payment of this tremendous obligation in two annual payments of \$213,000,000 each their judgment would certainly be questioned, to say the least. The Townsend plan on a per-capita basis would cost the city of Detroit each year \$305,889,090. It would cost Wayne County, in which is located the city of Detroit, each year \$368,344,470 on a per-capita basis. The accumulated unpaid debt of the State of Michigan and every subdivision within the State is \$800,000,000, deducting, of course, moneys in sinking funds. This includes the unpaid balance of a \$50,000,000 State highway bond issue, a \$30,000,000 soldiers' bonus bond issue, and a war loan bond issue. It includes bonds issued by township and counties for roads and buildings, by cities for waterworks and parks, by school districts for schoolhouses; in fact, it includes every debt of every political subdivision and municipality in the State. Many political subdivisions of Michigan have found it impossible to pay the interest on this tremendous debt; and, of course, have found it impossible to make the payments of principal on a 20- or 25-year basis.

If I were to advocate a plan in either the State legislative body or in Congress, if such a plan were constitutional, to compel the State of Michigan and every municipality in that State to pay this tremendous debt in one payment, again my judgment would be questioned, to say the least. The Townsend plan on a per-capita basis would cost the State of Michigan each year \$944,253,375. In other words, the Townsend plan would cost the State of Michigan \$144,253,375 more each year than the total accumulated outstanding debt of the State and every political subdivision of the State.

If these computations do not demonstrate the absolute impossibility of financing the Townsend plan, there is nothing further that I can say except perhaps to quote Dr. Robert H. Doane, of New York City, who was one of Dr. Townsend's witnesses and testified at Dr. Townsend's request. On page 1121 of the hearings before the Committee on Ways and Means of the House of Representatives, we find Dr. Doane, in answer to questions of Congressman Woodruff, of Michigan, using the following language:

The way I approached that problem from the start was whether or not we could afford to support this additional service charge—

I view this as a pure service charge—against our ability to produce in terms of physical income at current rates an additional \$24,000,000,000 on top of that. Of course, my first reaction was that it could not be done, and my reaction is yet that it cannot be done in that maximum amount. I think it possible to introduce the idea in a modified form that Dr. Townsend or others, or this committee, may devise, taking on just a small number. You may even change the pension from \$200 to a smaller figure, and after a period of years you might be able to care for three to four million additional income recipients. But to take in all of the full ten or eleven million in that age group immediately, I think none of us have the remotest idea that it is possible.

I realize the argument about the increase in business, but in the final analysis, 1 person out of every 12 is being paid \$2,400 a year without working. The other 11 will have to earn that \$2,400 by the sweat of their brow. The other 11 will have to manufacture for nothing whatever the one buys with his \$2,400 each year. Some have argued that inflation would be a good thing, and it could be argued that inflation would help to wipe out the tremendous debt of the State and its political subdivisions, but they forget that these obligations are held by banks and life insurance companies, that the money which was loaned to Michigan by these banks and life insurance companies was not the money of the banks nor the money of the life insurance company, but the money of the depositors, the money of the insured, the money that will ultimately belong to the beneficiary of the policy. To wipe out or reduce public and private debts by inflation would wipe out every life-insurance fund, bank deposit, and trust fund in America.

I wish to repeat again that I have only the kindest feeling for all the advocates of old-age pensions, whether they be Townsendites or others. I again say that I concede to them the same sincerity, the same honesty of purpose, the same desire to help the aged that I claim for myself. But what I want is an old-age pension that will pay a definite sum monthly now. Michigan passed one old-age-pension law in 1932, financing it with a head tax. The aged looked forward hopefully to monthly payments, only to be bitterly disappointed. In 1934 a second law was passed in Michigan. Again the aged looked forward eagerly, hoping that they might receive some aid. Today they are receiving \$8 and \$10 a month, a sum that is absolutely inadequate.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. ENGEL. If we keep on with a plan of this kind, which I believe is absolutely impossible, the time when these aged people will receive real help will be postponed again. Would it not be a wonderful thing if on the 1st day of every month an old couple could go to the post office and get a check for \$60? Would it not be a wonderful thing if they could depend upon that amount monthly, without strings attached as to spending but to spend as the pensioners saw fit and without having Government employees coming into their homes to see what the money was spent for? Not perhaps everything that we would like, but a beginning.

I recognize the absolute inadequacy of the present law. I am willing to do everything I can to bring about the passage of a law which will place a definite sum into the hands of every aged person on the first day of every month, commencing not next year, or the year after, but now. I cannot see my way clear to support a proposition such as the Townsend plan, which in my judgment is absolutely impossible, and delays again the time when a real old-age-pension law is adopted that will pay a definite amount on the 1st day of each and every month.

Mr. HOUSTON. Will the gentleman yield?

Mr. ENGEL. I will.

Mr. HOUSTON. Does the gentleman think that the present law we have is adequate?

Mr. ENGEL. I do not.

Mr. HOUSTON. In my State I have learned—last week—that under the provisions of our law and State requirements it averages \$7.50 a month. Does the gentleman think that is adequate?

Mr. ENGEL. I do not.

Mr. EKWALL. Will the gentleman yield?

Mr. ENGEL. I yield.

Mr. EKWALL. Do not you think it would be fair if the Government would pay the same rate, regardless of any particular State—treat all the people alike—and let the States augment that payment?

Mr. ENGEL. The question as to the amount paid by the Federal and State Governments will have to be worked out.

Mr. GIFFORD. Will the gentleman yield?

Mr. ENGEL. I yield.

Mr. GIFFORD. I want to accord all sincerity of purpose to those who advocate the Townsend plan. I did that on the floor the other day. But I want to ask the gentleman what sort of sincerity are we going to consider it when our splendid friend, the gentleman from California, over the radio 2 or 3 days ago, said: "I am appealing to you for the Townsend plan as embodied in the McGroarty bill to go out and defeat every Congressman who will not vote for the Townsend bill." That is from one of our own colleagues. Does the gentleman think that is the thing to do?

Mr. ENGEL. I think everyone in my district has a right to differ with me and to vote against me if he desires. The gentleman from California is trying to bring about a reasonable compromise in the passage of an adequate old-age-pension law. I have no objection to any one of my colleagues opposing me in my district because he differs with me on this or on any other question.

Mr. FIESINGER. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. FIESINGER. Has the gentleman figured out how much it would cost individually, per capita, to pay people over 60 years of age \$200 a month?

Mr. ENGEL. Basing the figures on 10,000,000 pensioners and the total cost at \$24,000,000,000 a year, the per capita cost would be \$195 a year, using the 1930 census. If you pay 8,000,000 pensioners, the cost would be \$19,200,000,000 a year, or a per capita cost of about \$160.

Mr. PIERCE. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. PIERCE. The gentleman is a lawyer, I believe?

Mr. ENGEL. Yes.

Mr. PIERCE. I notice a question by my colleague from Oregon [Mr. EKWALL] in which he indicated he wanted to pay the pension directly throughout the United States instead of contributing to the States. Does the gentleman think that that would be constitutional?

Mr. ENGEL. Personally I do not, but, of course, I feel this problem is important enough to have it solved permanently and, if necessary, to so amend the Constitution.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. MOTT. The gentleman says that he is in favor of a pension which will pay \$60 a month.

Mr. ENGEL. Sixty dollars per couple.

Mr. MOTT. How many eligibles did the gentleman have in mind when he arrived at that figure?

Mr. ENGEL. I had in mind to start with people 65 and over.

Mr. MOTT. I asked how many eligibles.

Mr. ENGEL. I had in mind particularly the figures of the social-security bill. As I recall the testimony before the Committee on Ways and Means—and I stand subject to correction—an old-age-pension law such as was passed, which would pay \$30 per month—\$15 a month by the Federal Government and \$15 a month by the State—to the aged who were 65 years old or more, would cost approximately \$800,000,000 a year. I think that was the testimony before the Committee on Ways and Means.

Mr. MOTT. And the gentleman thinks that \$800,000,000 or \$900,000,000 a year would be an adequate pension to everyone in the United States who needs a pension?

Mr. ENGEL. I would not say that; but I say eight or nine hundred million dollars a year is a handsome sum to start with, and I think we might better start with eight or nine

hundred million dollars and pay it than to pass a law to pay twenty-four billions a year and not pay it.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. ENGEL. Yes.

Mr. EKWALL. My genial colleague from Oregon, the ex-Governor, wanted to know whether you thought this suggestion of mine was constitutional. Does the gentleman not think it would be as nearly constitutional as it would be to tax all of the people of every State to pay their share, and then to deny people of certain States such Federal money because the States themselves were too poor to pay their share?

Mr. ENGEL. I would rather not get into a constitutional argument, because I realize there are a great many controversial questions involved. I say let us try to pass a law which will place into the hands of every old couple \$60 on the first day of each and every month.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. McGROARTY].

Mr. McGROARTY. Mr. Chairman, first of all I want to set my esteemed and very much beloved friend from Massachusetts right. He seems to be hurt at the statement that I made over the National Broadcast a few evenings ago, namely, that my advice to the supporters of the Townsend old-age pension plan at the coming election is that they should at the coming election vote for candidates favoring that plan regardless of party affiliations. What is wrong with that? If in the gentleman's district he is running for Congress and favors a high tariff, and I favor a tariff for revenue only, would he expect me to vote for him? Would not I have a right to campaign against him? There is nothing wrong or unjust about that. Politics is the same as war, it is the same as football. You must go out to win. We are for the Townsend old-age-pension plan, and we are out to win, and that is all there is to it. There is nothing unjust or unfair about it so far as I can see.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Yes.

Mr. GIFFORD. I listened so carefully that I ask the gentleman to put that speech he made over the radio into the Record so that we may judge of the exact language. I think it is unusual for a colleague to indirectly or directly in a speech advocate the defeat of his colleagues if they could not endorse the Townsend plan.

Mr. McGROARTY. I made the speech extemporaneously, and it would be very difficult to have it inserted into the Record, but I do not see anything unethical about that, even. If I am for the Townsend plan, as I am in my district, and some of my constituents are opposed to that plan, certainly I would not take offense at those constituents voting against me. They ought to vote against me, and they should advise others who feel like them to vote against me. It is not necessary that all of us who are here should always be here. Other men can take our places. They have done it in the past and the Republic still endures.

I want to correct the gentleman from Michigan [Mr. ENGEL]. He and others keep insisting that the pension must be \$200 a month. Why do they not give the McGroarty bill credit for what it says. It says "not to exceed \$200 a month."

Mr. HOFFMAN. Does not the Townsend Weekly of December 30 say \$200 and nothing less? Is that your plan?

Mr. McGROARTY. I heard the gentleman from Michigan the other day in a very angry mood, and I regret it. The gentleman is a young man.

Mr. HOFFMAN. Only 61.

Mr. McGROARTY. You are burning yourself up. You are expending such vitality with your emotions that I dread what may happen to you. Why can we not discuss these things calmly?

Mr. HOFFMAN. Will the gentleman answer my question? Did you not say in your paper \$200 a month?

Mr. McGROARTY. It is not my paper.

Mr. HOFFMAN. In the paper called the Townsend Weekly. Does the gentleman stand for \$200 a month or does he not?

Mr. McGROARTY. There is something in the New York Times this morning. Did I say it? I do not own the paper.

Mr. HOFFMAN. No; but do you stand for \$200 a month, or do not you?

Mr. McGROARTY. I stand for the McGroarty bill, not to exceed \$200 a month. I wish it could be \$200 a month. The bill says "not to exceed \$200 a month."

Mr. HOFFMAN. Then you do not stand, as the paper says, for \$200 a month?

Mr. McGROARTY. If we can get it; yes.

Mr. ENGEL. Will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. ENGEL. The Townsend Weekly is owned by Dr. Townsend, is it not?

Mr. McGROARTY. Yes; I understand so. I do not know.

Mr. ENGEL. The statement which I read in the Record was taken from the Townsend Weekly, right on the front page.

Mr. McGROARTY. Why hold me for that? I am standing for my bill, not for the Townsend Weekly or anything else. Why do not you be fair about these things?

Mr. ENGEL. I am fair.

Mr. McGROARTY. Why quibble? I hate this quibbling. It lessens my regard for this House of Representatives—quibbling. That is just quibbling and nothing else. Read the bill. I stand on the bill.

Mr. KNUTSON. Will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. KNUTSON. As I recall, when Dr. Townsend appeared before the Ways and Means Committee he merely stated that \$200 was something to shoot at. Evidently they are shooting at it.

Mr. McGROARTY. I thank the gentleman. That is it exactly. I had not the wit to say that, but that is the situation exactly.

We advocates of the Townsend plan of old-age pensions realize that we are facing a hostile Congress. There is no use quibbling about that. We know that. That is another reason why we are forced to go to the country in this year's election. We have a right to advise the people of this country to send to this Congress by their ballots this year those who favor the Townsend idea of old-age pensions. Nobody has a right to deny us that. I am a Democrat. Nobody can drive me out of my party. Al Smith cannot do it. Franklin D. Roosevelt cannot do it. I stay in the Democratic Party. I was born in it, reared in it, and I am going to stay in it. Nobody can drive me out of it, but I will favor a man for Congress, even against my own party if my party is against it, who favors the Townsend plan. That is legitimate warfare, and this is war to lift the old people of this country out of want and despair and fear. We want a pension for them. If we can get \$200 a month, it will put them in luxury. They have a right to luxury, the same as anybody else. They have a right to it. Because a man is poor they say he must always stay poor. Most every man I know over 60 years of age is a better man than I am. He has a right to whatever luxury he can get, whatever comfort he can get. We also contend, if you had the sense, if you could just get it into your heads, that an act of legislation like this would not only take care of these old people but it would bring about full recovery. I want to say to the gentleman from Michigan not to think that because we are not fighting every minute on this floor that we are laying down. We are not doing it. We are watching every opportunity we can get. The Townsend movement is not waning, let me tell the gentleman that. Do not think it is. Do not fool yourselves. It is not waning. It is growing stronger every day that passes. We are going to make a fight and we are going to make it to the people at the next election. That is what we are going to do, and we are not going to make any bones about it, either.

Mr. WOLCOTT. Will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. WOLCOTT. I have two questions that I should like to ask the gentleman: One is, whether he agrees with Dr. Townsend when he says that this is not primarily an old-age pension, but it is primarily a means of distributing purchasing power. The next question is this: If it is a means of distributing purchasing power primarily and an old-age pension secondarily, whether the gentleman is in favor of raising the amount of taxes that the American people must pay, 300 percent? This question is based upon the fact that for all public purposes we raise at the present time about \$7,000,000,000, and that under the Townsend plan or the McGroarty bill, it will be necessary to raise three times that much?

Mr. McGROARTY. Now the gentleman asks me to answer for Dr. Townsend. I cannot do it. He answers for himself.

Mr. WOLCOTT. No. I am asking the sponsor of the plan that is before the Congress of the United States.

Mr. McGROARTY. When the time comes, and it is at hand—

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman from California 10 additional minutes.

Mr. GIFFORD. Mr. Chairman, if the gentleman will yield, I want to withdraw the request that I made that he put in the Record the speech he made over the radio. Our colleague has told us so plainly that every Democrat here who did not believe in the Townsend plan should be defeated, that the speech he made over the radio does not need to go in the Record. I withdraw my request.

Mr. McGROARTY. All right. I do not try to hedge on what I say. I am not a politician. I am a Democrat elected from the most rock-ribbed Republican district in the United States. I do not want to come back to this Congress, but if I want to I can.

Now, do not be afraid of being reelected. I admire the gentleman from Massachusetts. He is against the Townsend bill; he says so, he does not give a whoop who knows it. I respect a man like that much more than I respect a man who does not believe in a thing but who, in order to keep some office, will say he does. [Applause.] I would not do a thing to take a vote away from the gentleman in his district. I admire him.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. I have just a few minutes more.

Mr. WOLCOTT. I did not ask my questions in any partisan spirit at all; I was very sincere when I asked them. I really desire the gentleman to answer; I want to know the whole situation.

Mr. McGROARTY. Yes. I stated I could not answer for Dr. Townsend.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. BANKHEAD. Let me preface my interrogation by saying that I am seeking information, as I am not familiar with what is in the gentleman's bill. Do we understand that the gentleman now takes the position that he does not necessarily insist upon a minimum of \$200 a month for each person but that he lays down a formula of taxation and whatever amount of money is raised shall be appropriated monthly pro rata among the people who are eligible?

Mr. McGROARTY. That is correct; the gentleman is exactly correct.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. Yes.

Mr. MOTT. Does not the gentleman from California think it is about time for Members to quit talking and concerning themselves about what somebody outside of Congress says the Townsend plan is, but instead should study the revised McGroarty bill and decide whether they are for it or against it?

Mr. McGROARTY. Exactly; that would be a very wise and sensible thing to do.

Mr. LAMBETH. Mr. Chairman, will the gentleman yield?

Mr. McGROARTY. I yield.

Mr. LAMBETH. I do not wish to evoke a controversy with the gentleman; I am merely asking for information. At the last session of Congress the gentleman introduced several different versions of the so-called Townsend plan.

Mr. McGROARTY. No.

Mr. LAMBETH. They were different bills, I will say. Will not the gentleman tell the House just what are the provisions of this latest version of the Townsend plan?

Mr. McGROARTY. My colleague does not want me to use the rest of the day, does he?

Mr. LAMBETH. I thought the gentleman could summarize it briefly.

Mr. McGROARTY. Why does not the gentleman read the bill for himself; why ask me to read it? [Applause.]

Mr. WOLCOTT. Mr. Chairman, before the gentleman concludes, will he answer my questions?

Mr. McGROARTY. Will the gentleman from Michigan state his questions again?

Mr. WOLCOTT. I will put them one at a time. First, does the gentleman agree with Dr. Townsend when Dr. Townsend says that the plan which, I understand, is embodied in the McGroarty bill is not primarily an old-age plan but is primarily a means of distributing purchasing power?

Mr. McGROARTY. The gentleman is asking me if I agree with that?

Mr. WOLCOTT. Yes.

Mr. McGROARTY. I do not agree with Dr. Townsend in everything. For instance, he proposed a third party the other day. I do not agree with him in that.

Mr. WOLCOTT. Does the gentleman agree in the statement Dr. Townsend made to the effect that his plan was primarily one to distribute purchasing power?

Mr. McGROARTY. If the gentleman asks me, it is both; it does both things.

Mr. WOLCOTT. What is the primary purpose of the bill?

Mr. McGROARTY. What difference does it make which you place first, the cart or the horse? It does not make any difference. My dear friend, do not quibble about these things; get down to brass tacks. [Applause.]

Mr. WOLCOTT. Will the gentleman answer my second question now?

Mr. McGROARTY. I cannot stand here all day answering questions. I say to the gentleman to look them up for himself; he can read and write.

There is a very important matter I have on my mind, and I want to speak about this matter to my fellow Democrats, for I do not think the gentlemen on the other side would be inclined to respond to my appeal. I am going to talk to my own people now on this side of the House. There is a petition on the Clerk's desk with 214 names on it—a petition to discharge the Rules Committee from further consideration of the Frazier-Lemke bill. We need only four more signatures to this petition. I want four Democrats today who have not already done so to sign this petition. Let not the sun go down on your delinquency. It will answer two charges made against us as Democrats if you do. First of all, it will answer the charge made against us that we are gagged.

It will be flung in our faces all summer long until the polls close in November that we gagged ourselves or permitted ourselves to be gagged. If this petition is signed, it will give the lie to our opponents. It will prove that we were not gagged, no matter what the requirements were. It will prove that the Democrats of this Congress were courageous and conscientious enough to break the rules. Two hundred and fourteen names are an awful lot of names to get for anything in this Congress. It ought to be enough without begging for four more names.

Another charge that will be flung at us, which we can disprove if we add four more names to this petition, is that we are a rubber-stamp Congress. The filing of this petition will prove that we are not a rubber-stamp Congress. I do not know whether I will vote for the Frazier-Lemke bill or not, but I believe that any bill that has merit has the right to be debated on the floor of this House. That is what

I believe, and that is the kind of a Congressman I want to be.

I suppose what I am about to say will fall on deaf ears, but why should it? Are there not 4 other Democrats in this House who will join the 214, whether they favor the Frazier-Lemke bill or not? What kind of people are we? I do not know why the Committee on Rules refuses to come out and fight because it has a challenge. I do not know the personnel of the Committee on Rules, but I do know its chairman, and his name is O'CONNOR. The blood of Irish kings flows in his veins. [Applause.] He is the first O'CONNOR in all history who refuses to come out and fight when he was dared to. Do you think the rest of us here in this House who belong to that great historic race of Phoenicians would refuse to come out and fight? It is that great race which produced the greatest fighting man of all times, Hannibal of Carthage, who picked up a nondescript army and chased the legionnaires of Rome all over the map for 15 long years. Where are the O'Connors, the O'Neals in this House; the O'Connells; the O'Byrns, in whose veins not only courses the blood of the O'Byrns but of the O'Briens on their grandmother's side? Do they refuse to do this? Where are the McFarlands, the McReynolds, the McSwains, the McAndrews, and the McCormacks? Do any of us be dared to fight and not come out in the open? [Applause.]

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 5 minutes to the gentleman from Wyoming [Mr. GREEVER].

Mr. GREEVER. Mr. Chairman, the morning papers carried the sad news to the Nation of the death of Dr. Elwood Mead, Commissioner of Reclamation, a former Wyoming citizen.

Those of us in Congress from the Western States feel that the passing of Dr. Mead is an irreparable loss. There was perhaps no man in the country who had as thorough an understanding of the problems of irrigation and reclamation as had Dr. Mead. His entire life had been devoted to that subject.

He was born in Switzerland County, Indiana, and entered the field of engineering at a very early age as a rodman. He worked his way through Purdue University by teaching and by working for the county as surveyor, graduating from that institution in 1882. Immediately upon graduating he served 1 year as United States assistant engineer on improvements then being made on the Wabash River, and at the end of that year became professor of mathematics at the Colorado Agricultural College, and was appointed assistant State engineer for the State of Colorado. He rapidly acquired a reputation as one of the country's leading experts on irrigation, and in 1886 when the chair of irrigation engineering was established at Colorado Agricultural College, Dr. Mead was appointed to that position. In 1888 he resigned from this position to become the Territorial engineer of Wyoming and wrote the irrigation provisions of the new State's constitution. He served for several years as State Engineer for the State of Wyoming. In July 1899, he was made irrigation expert of the United States Department of Agriculture, and at the same time became professor of institutions and practice of irrigation at the University of California. During the years 1907 to 1915, he served as chairman of the State rivers and waters supply commission of Victoria, Australia, and established a reclamation program for that country. On his return to the United States he was appointed professor of rural institutions at the University of California and chairman of the State land settlement board.

Dr. Mead was a member of the American Society of Civil Engineers and the British Institution of Civil Engineers.

For many years Dr. Mead was a resident of the State of Wyoming and left an indelible imprint upon that State in the form of his acts as State engineer and the constitutional provisions and the laws relating to irrigation in that State.

Since 1924, when he was appointed Commissioner of Reclamation by President Coolidge, he has constructed many important irrigation projects throughout the West, the

largest of which is the great Boulder Dam, which was dedicated last October by President Roosevelt. Probably no man in the history of the United States has directly assisted in and superintended the construction of as much constructive and useful development as has Dr. Mead. He was a man of vision and courage. He saw the possibilities of the development of the great West and was an unflinching advocate of reclamation, which has been so important in the development of the West and of the entire United States.

Dr. Mead lived to see, by reason of the adoption of his policies, the construction of reclamation projects upon which there exist thousands and thousands of the finest homes in agricultural America. He lived to see by reason of his forward and progressive thought, the desert converted into useful and economic agricultural communities. He lived to see prosperous and thriving towns built upon these projects and great markets for eastern products established in the West, because of the fertility of the soil and the development of the resources of that great region.

It will be difficult to travel for any considerable distance through the Western States without seeing a monument to the vision and progressive spirit of this great man.

To all of us who knew him, his personality and character were refreshing. He had a kindly sympathy and a spirit of helpfulness which characterized his every thought and action. He was a man of courage and of wisdom. He was loved by everyone who knew him. His loss is mourned by the people of the State of Wyoming and of the entire Nation, and we extend to his widow and children our sincere and heartfelt sympathy.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. EKWALL. Mr. Chairman, will the gentleman yield?

Mr. GREEVER. I yield to my good friend the gentleman from Oregon.

Mr. EKWALL. Is there any way that we can appropriately honor the name of our deceased friend, Dr. Mead, by naming, for instance, the Boulder Dam or one of these other dams after the gentleman?

Mr. GREEVER. I hope that some adequate expression of our high regard for Dr. Mead may be made possible by Congress.

Mr. EKWALL. I should like to see the gentleman figure that out, because if there is any way we can do that, I believe it ought to be done.

Mr. GREEVER. I think that would meet with the approval of all who knew him, and I shall personally do everything in my power to that end.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. MAIN].

Mr. MAIN. Mr. Chairman, I would not presume to put words into the mouth of my good friend, Dr. McGROARTY, nor would I presume to say a word by way of being spokesman for Dr. Townsend, but I do think my colleague from Michigan [Mr. WOLCOTT] is entitled to a prompt answer to the two questions which he propounded on the floor of this House this afternoon.

As I understand those questions they are, first, do you consider the Townsend plan a distribution of purchasing power? Absolutely yes. In my own personal opinion that is the essence of the Townsend plan as we now have it. There is no denying the fact that the mainspring which furnished the initial impetus for the Townsend program was sympathy and concern for the welfare of the aged, but there is likewise no disputing the proposition that at the present time the program is broad and comprehensive and takes in not only the welfare of the aged, but the problem of the unemployed, and the general problem of recovery and stabilization of industry.

Therefore, we look upon the transaction tax not merely as a source of dividing the income for a given year, but it is this, and so far as I know this is the first time it has been spoken in public—however, I claim no invention or inven-

tive power in connection with it—the transaction tax is a mild form of capital levy and in that form is not at all limited by the amount of the national income for a given year. For this reason it does very nicely tally with the suggestion of Senator BORAH, in the current issue of *Colliers*, that it might well be named the "Townsend plan for redistribution of purchasing power."

If this plan is so productive of revenue and income that it produces three times the amount of national revenue at the present time, then I say there are no people better entitled to benefit from that revenue than these people who for 40 or 50 or 60 years have been law-abiding citizens in our land.

[Here the gavel fell.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, it had not been my purpose to talk on the Townsend plan, because, frankly, I think that the less said about the plan the better for this Congress and the country; but I cannot let go unchallenged the fact that the sponsor of the plan does not see fit to give this House an answer to two questions which I think are the very crux of the Townsend plan.

I do not think there is a man in this House who is not sincerely in favor of adequate and practical old-age pensions. I think I can speak for the entire body of the Congress when I say it has a perfect understanding of the plight in which so many of our aged find themselves at the present time due to reverses attending the depression. It is the purpose of this Congress to do everything it possibly can to relieve this suffering; but I am not so sure but that the Townsend plan is, relatively speaking, the same to old-age pensions today that inflation was to the bonus for years.

For a good many years the sponsors of the bonus had to contend with the fact that every time the word "bonus" was mentioned inflation came to the person's mind. There should not have been any more connection between inflation of the currency and payment of the bonus than there was between the appropriation of \$4,800,000,000 and inflation, or the year before that the appropriation of \$3,300,000,000 and inflation, but for some reason or other every time the bonus has been mentioned we hear of inflation; and so every time we hear of old-age pensions this bugbear of the Townsend plan is thrown in our faces, until we have the people of this Nation scared stiff that any old-age-pension plan will embody the principles of the Townsend plan. So I am not so sure that the advocates of the Townsend plan are not doing much more harm in this Congress than they are good, especially when they will not answer what I consider a question which goes to the crux of the situation—whether they want to burden the people of the United States with a tax 300 percent greater than they are carrying at the present time—and I think a brief but conclusive answer to whether we want to adopt the Townsend plan of giving old-age pensions is embodied in this one thought.

Is the Congress of the United States ready today or at any other time to raise the tax burden of the people of the United States 300 percent? This question is predicated upon the fact that the taxes of the National Government, the State governments, the counties and municipalities and all the special taxes which are raised in the United States at the present time aggregate about \$7,000,000,000. The lowest figure I have heard that would put the Townsend plan into effect is \$19,000,000,000 and the highest figure I have heard is \$26,000,000,000. So we can safely assume it will cost at least \$21,000,000,000 to make this plan effective, and therefore the moment we would vote for the Townsend plan taxes to the extent of \$21,000,000,000 would need to be raised. We would vote to raise the taxes of the people 300 percent; and I will defy any Member of the Congress to vote to raise the taxes of the people of the United States 300 percent and go back to his district and justify it.

Now, my friends, the question is simply this, whether this is an inflation plan or a plan to distribute purchasing power. If it is distribution of purchasing power it is simply another means of inflating the currency, and frankly we ought

not to demagogue any more to these old people who need our help so badly.

We have had other schemes. Some people have advocated taking a dollar bill, printing only one side of it, and in each transaction putting a 2-cent stamp on the back of it. I thought it was the craziest thing ever presented to the Banking and Currency Committee.

What difference is there between inflation of the currency in such a manner and this proposal, because every time you turn the dollar bill over you will put a 2-cent stamp on the back of it. The theory of one was that you would actually buy the stamps and put them on the back, and when you put fifty 2-cent stamps on the back of the bill the Treasury in some mystical manner would issue a Federal Reserve note to redeem it. There is not only an increase in the dollar value when you put the 2-cent stamp on, but you thereby depreciate the currency. I cannot see any difference between the Townsend plan for old-age pension, because in each there would be an inflation of the currency wholly out of proportion to the purchasing power.

Mr. KENNEY. Will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. KENNEY. If the money could be raised for old-age pensions by a lottery, there would be no inflation.

Mr. WOLCOTT. I have not voiced my opinion of the gentleman's bill, but I think it would be a good deal safer from the standpoint of the Federal Treasury to adopt the gentleman's plan rather than the Townsend plan. [Laughter and applause.]

Mr. LAMBERTSON. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, the thing that some of us object to in this Townsend campaign is the fraud in the whole proposition. It is all right for a Member to introduce this bill, which provides, as he says, and as it does, for a division of the jackpot—\$200, or whatever it may bring—to each person over 60 with an income of \$2,400 or less per year; and none of us knows what it may bring. That is one thing here in Congress, but here is the thing that is not right; here is the fraud in the whole proposition. Back home, where they circulate their Townsend Weekly, they put right on the first page—and we called the gentleman's attention to the article—

Two hundred dollars per month stands.

Here is the statement in their own words:

There has never been, nor will be, any compromise on the \$200-per-month provision in the Townsend demands. All statements to the contrary are false.

That is not where they stand at all. Fraud in the Townsend campaign! They have one proposition here to get our vote, and they have another proposition back home to defeat us; and I cannot see where it is right or fair for any Member of Congress to stand up and say that you gentlemen should be defeated simply because you will not adopt and support one particular thing, when we all know there is a multitude of questions here. Here are 435 of us. How many of us agree on all of the propositions that are before us? The gentleman from California [Mr. MCGROARTY] said it does not make any difference whether some of us, or perhaps any of us, come back. That is not the question, and I am not talking now about myself and I am not talking about Members on this side, except a few of those who have been here for years. I am talking about these gentlemen on the Democratic side who have represented their districts for so many years, who have served their districts long and faithfully, and who are patriotic and loyal to the principles they believe to be right. These Townsend people want to defeat all of you just because you will not vote for some idea which one fellow has in mind, and they will advocate your defeat. That is entirely different from standing on a party platform. What do they want you to do? Let us start over here and take these 16 young people, beginning right along here with my friend from New York, Mr. O'CONNOR, and my friend from Texas, Mr. BLANTON. They want to put you fellows to work to support an old fellow like me.

Mr. O'CONNOR. We would be glad to contribute.

Mr. HOFFMAN. I know that you would contribute, of course you would, and that is the thing that keeps old people from starving, that kindness, that charity, but they want to put you all to work in order that I may have \$200 a month and that my wife may have \$200 a month—with an income of \$4,800 a year, more money than we have ever had as a net income. The gentleman from Michigan asked a question. Here is a letter I want to incorporate, if I may, in the RECORD, and I ask unanimous consent to extend it in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HOFFMAN. This letter goes on to say:

Your letter of the 16th at hand and contents noted.

And here is the characteristic answer to every question that you ask them—the Townsend speakers—

We are very much surprised at your little knowledge in regard to the Townsend plan.

You start to argue with them, and that is what they always tell you, but perhaps I better read the whole letter. Here it is:

BANGOR, MICH., January 21, 1936.

MR. CLARE E. HOFFMAN,
Washington, D. C.

DEAR SIR: Your letter of the 16th at hand and contents noted. We are very much surprised at your little knowledge in regard to the Townsend plan.

We have now in our little town of Bangor Townsend Club No. 1 almost 300 members, and we expect to have 400 by the 1st of March.

Practically all towns in the fourth district show the same growth. We have enough members in the 4th District that will enable us to elect either a Democrat or Republican.

You stated in your letter that the Townsend plan was getting nowhere. To enlighten you on the matter we have 21,000,000 so far who have pledged to support this movement. Do you not think the people will stand to be fooled by the Old Guard Republican Party or the Democrat Party any longer. We are awake.

This is not an old-age-pension plan, but it is a recovery plan to benefit the young as well as the older people, and bring back buying power that has been taken from us.

Please do not think that your articles in different newspapers, seeking publicity for yourself, will hurt our cause, showing plainly how uninformed with this plan you are, for every knock is a boost for the Townsend plan.

Very truly yours,

MRS. K. G. FOSTER,
Sec., Townsend Club No. 1.
C. S. CHURCH.
C. M. GEHLEN.

You will notice that they say that the Townsend plan is not an old-age-pension plan, but that it is a recovery plan to benefit young as well as older people and bring back buying power which has been taken from them.

Then why not extend the plan? Give the pension to the young between 20 and 25 and let them get an education, so they may support themselves. Or give it to them in a lump sum and let them engage in farming, in business, in manufacturing.

The gentleman from Michigan [Mr. MAIN] says he wants to restore buying power. What difference does it all make as to purchasing power, whether 15 men spent \$200 per month, or whether 1 man spends \$200 per month? Under the Townsend plan, you 15 gentlemen there are to contribute to me \$200 per month and I spend it. Why not let you spend it? Is there any reason why you should not? Oh, but they say under this plan it is the law that I must spend it within the month, and that seems to be the real thing in this plan. Spend it! Spend it for whisky, if you wish, says Dr. Townsend in his sworn testimony. Just spend it! I wonder if they have forgotten that merely having a little more money does not increase buying power. Some of them make me think of this statement which was made in the Congress in 1780, so this idea of an increase in the circulating medium is not entirely new. This delegate said:

Why should we vote to tax the people, when a Philadelphia printing press can turn out money by the bushel?

Why not pay this pension in that way?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. LAMBERTSON. Mr. Chairman, I yield the gentleman 5 minutes more.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. Yes.

Mr. BLANTON. My friend represents the Fourth District of Michigan.

Mr. HOFFMAN. Most unworthily, sir.

Mr. BLANTON. He will remember that his colleague from the Third Michigan District [Mr. MAIN] made his maiden speech here, and forgot to even mention the Townsend plan, but when we prodded him—

Mr. HOFFMAN. When you what?

Mr. BLANTON. When we "prodded" him. When we prodded him with a prod pole. The gentleman has prodded cattle in a car, has he not?

Mr. HOFFMAN. No; I raise cows and grow apples.

Mr. BLANTON. We prodded him about his forgetting Dr. Townsend in his maiden speech, and finally got him up on the floor again today. Did he convert our friend with his speech today on the Townsend plan?

Mr. HOFFMAN. I am in the same situation that I was when these gentlemen wrote me this letter in which they say that they are very much surprised at the little knowledge I have in regard to the Townsend plan. I learned nothing from his speech.

Mr. BLANTON. I just want to ask this one question. The gentleman knows about the Republican standing in the Third and Fourth Districts in Michigan. He knows that in my friend's district, the third, there are 45,000 Republicans normally, while my friend from Michigan, Mr. MAIN, received the votes of only 25,000 of them.

Mr. HOFFMAN. I do not know about that.

Mr. BLANTON. What became of those other 25,000 Republicans?

Mr. HOFFMAN. Like Al Smith, they "took a walk." [Laughter.]

Mr. MAIN. Will the gentleman yield?

Mr. HOFFMAN. Yes; I yield.

Mr. MAIN. By way of reply to the gentleman from Texas, I should like to state that the election was a special election involving one office, and it was held a week before Christmas on a very stormy day. The other voters in that Third District would be pardoned, I think, if they did not walk at all under such circumstances. I may say that the gentleman from Texas tried to prod me into some action the other day, whereas if he had read my speech carefully he would have found that I made a very significant reference to the problem of social security as well as a number of other problems that are in the lap of the Congress at the present time.

Mr. BLANTON. Did the gentleman mention the Townsend plan? No! He did not mention the Townsend plan, did he?

Mr. MAIN. I want to say that I mentioned the problem of social security. I suggest that the gentleman read that speech and ponder over some parts of it as a challenge to the gentlemen on the majority side of the House. At that time, I may say, I was reminded of the girl's definition of a typhoon. She said, "In some parts of Texas they have typhoons, and very bad ones. They get in your hair even though you keep your mouth closed." [Laughter.]

Mr. BLANTON. I read the gentleman's maiden speech throughout, and I am still pondering. I did not get anything out of the speech to put me out of that ponder.

Mr. HOFFMAN. Now, we were talking about purchasing power. Money alone does not give purchasing power. Let me quote from the American Revolution, by John Fiske, volume II, pages 200 and 201:

The condition of American finance in 1780 was simply horrible. The "greenback" delusion possessed people's minds even more strongly than in the days following our Civil War.

As Webster truly said, the country had suffered more from this cause than from the arms of the enemy. "The people of the States at that time," said he, "had been worried and fretted, disappointed and put out of humor, by so many tender acts, limitations of prices, and other compulsory methods to force value into paper money, and compel the circulation of it, and by so many vain funding schemes and declarations and promises, all which issued from Congress but died under the most zealous efforts to

put them into operation, that their patience was exhausted. These irritations and disappointments had so destroyed the courage and confidence of the people that they appeared heartless and almost stupid when their attention was called to any new proposal."

As Washington said, "It took a wagonload of money to buy a wagonload of provisions." At the end of the year 1778 the paper dollar was worth 16 cents in the Northern States and 12 cents in the South. Early in 1780 its value had fallen to 2 cents, and before the end of the year it took 10 paper dollars to make a cent.

In October Indian corn sold wholesale in Boston for \$150 a bushel, butter was \$12 a pound; tea, \$90; sugar, \$10; beef, \$8; coffee, \$12; and a barrel of flour cost \$1,575. Samuel Adams paid \$2,000 for a hat and suit of clothes.

To say that a thing was not worth a continental became the strongest possible expression of contempt. A barber in Philadelphia papered his shop with bills, and a dog was led up and down the streets, smeared with tar, with this unhappy money sticking all over him.

All this talk of creating purchasing power, of bringing prosperity, by taking money from a group of 16 people and giving it to one person to spend, as is the plan of Dr. Townsend and the gentleman from California [Mr. McGROARTY] is nothing but folly and nonsense.

I do not know whether the gentleman from Michigan [Mr. MAIN] got into the hair of the gentleman from Texas by what he said.

Mr. BLANTON. Oh, no; he did not. No one ever heard of a typhoon in Texas. We do not have them there.

Mr. HOFFMAN. I still want the gentleman from California [Mr. McGROARTY] to tell us why it is that here they talk about one thing and back home, when they receive these dimes for monthly dues and the quarters for membership fees and selling a newspaper, that, according to reliable reports, brings Dr. Townsend \$2,000 a week and Mr. Clements a like sum, they tell their prospective members that if they join in this plan, each eligible person will receive \$200 a month. Is that told to the people back home, to the aged, to the poor, when they ask them to subscribe to the Townsend Weekly at \$2 each, to pay a membership fee of 25 cents, give them the opportunity of paying monthly dues of 10 cents, for the purpose of really furthering a plan to give those solicited \$200 a month? Or are those statements made for the purpose of selling the paper, collecting membership fees and monthly dues? If not for the latter purpose, then why do they not follow the Townsend Weekly, with its demand for \$200 a month, when they get down here and introduce their bill?

On the other hand, if the author of the McGroarty bill and you who are backing it here do not mean to support a bill calling for a pension of \$200 a month, why do you not have the Townsend National Weekly print the truth about your activities?

Tell the folks who are taking this weekly, who are paying their dimes and their quarters to further this organization, who have relied upon this statement—I quote again—

There has never been, nor will be, any compromise on the \$200-per-month provision in the Townsend demands. All statements to the contrary are false—

whether you stand upon the McGroarty bill, which does not provide for a \$200-a-month pension, or whether you stand on the statement quoted from the Townsend Weekly.

In the Townsend Weekly you are advertised as supporting the Townsend plan. Your names are on the front page of the issue of December 30, and that same page carries the declaration which I have just quoted.

Are those back of the McGroarty bill asking support of the home folks on the theory that they are working for a \$200-a-month pension? Are the home folks supporting those who receive Dr. Townsend's blessing on the theory that they will get \$200 a month? Is it fraud, or is it not, to tell the voters one thing, to have something else here?

Mr. MAIN. It is not fraud in my case, because I did not make those promises, and I did not subscribe to any statement other than that I would support the McGroarty bill—H. R. 7154. I will support that bill or a similar bill when it is presented, and I challenge the gentleman to prove that there was any fraud or misrepresentation in the Third District of Michigan during the campaign or at any time in my public career.

Mr. HOFFMAN. I am only making these statements generally. I am not making any charge against the gentleman from the Third District [Mr. MAIN]. My understanding is that Dr. Townsend campaigned in his district for him; that, with Dr. Townsend, he spoke from the same platform; and, if I may be pardoned a personal reference, the gentleman's picture is in the Townsend National Weekly of today, Monday, January 27, on page 6, as supporting the Townsend plan, and under that picture is this statement, in blackface type:

Representative V. W. MAIN, Republican, of Michigan, newly elected to the House of Representatives on a platform favoring the Townsend old-age-pension plan, is one of the first to receive a seat on such a platform.

They inscribe \$200 a month on their flag and let it wave there. Does the gentleman stand by that?

Mr. MAIN. I stand for this, if the gentleman will yield—

[Here the gavel fell.]

Mr. LAMBERTSON. I yield the gentleman 2 additional minutes.

Mr. MAIN. Dr. Townsend has subscribed to the McGroarty bill, and the McGroarty bill is now the Townsend plan.

Mr. HOFFMAN. Then, as I understand the gentleman from the Third District of Michigan, he does not stand on the statements contained in Dr. Townsend's paper, the National Weekly. Am I right in that?

Mr. MAIN. I do not see the paper. I do not take it. I do not know what they say, but I do know that Dr. Townsend has said that he subscribes to the McGroarty bill and that the McGroarty bill as introduced will be the Townsend bill, known and cited as the Townsend plan.

Mr. HOFFMAN. But the gentleman does not stand for the \$200 a month, or does he?

Mr. MAIN. I do not stand for \$200 a month or for any other sum that will give to anybody any place any more than the revenue produced will provide.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. HOUSTON].

Mr. HOUSTON. Mr. Chairman, this being more or less a field day for the state of the Union, I want to quote from an editorial by a nationally known, prominent Republican publisher. Before that I want to admonish the gentleman from Michigan [Mr. HOFFMAN] that there is not anything to worry about being defeated on the Townsend plan. Most of us are going to be defeated because we did not vote for the "death sentence", as I understand it.

INDEPENDENTS DISCUSS OLD GUARD CAMPAIGN

As Republicans we must tell the country what we propose to do about it. Surely if we are against the New Deal and call it a "raw deal" to abolish child labor, give the farmer a place in the economic sun, provide for the aged, the blind, and other dependents, consider human values and give labor a square deal with capital, why not say right out that all these things are "unconstitutional" and that we favor returning to the Hoover depression by abolishing prosperity? (William Allen White in the Emporia Gazette, Republican.)

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky [Mr. CREAL].

Mr. CREAL. Mr. Chairman, my agricultural district of 19 counties down in the heart of old Kentucky surrounding the Lincoln Monument was greatly perturbed over the death of the A. A. A. They are also greatly perturbed over the loss of their liberty and constitutional rights as pointed out to them at Saturday night's meeting of the Liberty League. The liberty the loss of which they lament most deeply was that of choosing one of the three exalted privileges they had under the preceding administration. They had three options: First, homelessness and bankruptcy; second, starvation and death or go naked; third, suicide. Being free American citizens, they are clamoring that this privilege of choice be restored to them, for this administration with its usurpation of power has relieved them of the necessity of choosing any of these routes.

Mr. WOLCOTT. Mr. Chairman, will the gentleman yield?

Mr. CREAL. I yield.

Mr. WOLCOTT. If what the gentleman has stated is true with reference to the lamentations of his constituents with respect to the A. A. A., will the gentleman tell us if the sharecroppers of the South, or the tenant farmers as we knew them, are of the same mind; and if they are, why it has been necessary for this Congress to authorize the appropriation of \$1,000,000,000 to relieve the situation in the South with respect to sharecroppers?

Mr. CREAL. I will answer the gentleman's question by saying that he has been here very much longer than I have, and ought to know the reason better than I.

THE DEATH OF THE A. A. A.

Mr. Chairman, on January 7, about 2 o'clock, a Member of Congress asked recognition of the Chair and announced that the Supreme Court had just declared void the Agricultural Adjustment Act. Heavy applause came from the minority side of the House. He said, "I note all the applause comes from the Republican side of the House." At this mention they applauded again and in greater volume and longer than ever. On the Democratic side all was silence and gloom.

Members of the House from the Eastern States, whose chief industry is the factory, were elated. Members of Congress from the Middle West, South, and West were thinking of the disappointment and ruin soon to be given on the wires to the boys back home on the farm.

The highly organized East with its centralization of wealth, which imagines that the rest of the Union exists for their benefit, were elated and that horse laugh and elation of victory over the downfall of the farmer seemed as appropriate as applause at a funeral. I doubt if any of those applauding ever worked a day on a farm in their lives. They know nothing of the work hours from 4 in the morning until 8 at night. I can see in my mind the two pictures of these two sections of the country. One with short working hours, fair wages, comfortable homes, good schools, good roads, and good clothes, spending money for occasional entertainment, and, all in all, pleasant surroundings for comfortable living. And just back of these people towered the great centers of wealth of the Nation.

They were elated at what? The farmers stabilized prices would go down and they would be fed cheaper than ever—cheaper wages could be paid to factory workers because of cheaper food. The capitalist in the end would be the chief beneficiary.

The other picture was that of the farmers and tenant farmers with poor roads, ragged clothes, poorly equipped homes, poor methods of transportation, no amusements, or time, or money for recreation, a dismal slave-driving life. He would now have to work harder to raise more to get less.

The Agricultural Adjustment Act was passed for the purpose, as stated by the President, as follows:

To stop the decline and rout of American agriculture; originated in the aspirations of the farmers themselves. We sought to stop rule of tooth and claw that threw farmers into bankruptcy or turned them virtually into serfs.

For years the farmer bought his needs at prices fixed by the seller of what he bought, and sold his own product without either price-fixing agencies or limited production. For years the farmers through legislation tried to control and bring down the price of that which the farmer bought, but the capitalistic East was most all the time in control of that party which owed its obligations to them, and the effort did but little good except in small piecemeal.

Who ever heard of any shoe factory making one shoe more than they had demand for? The quantity and the price was organized and stabilized. Now, these industrial organizations seriously object to any law which will regulate farm prices and farm production, yet they have been practicing for 50 years just what they now condemn in the farm act. Who ever heard of a bunch of farmers making up money and going into court to have a law changed which affected factory industries on the pretense that it was a hardship on the factories? Who was it that jumped on the farmers' law with which he had begun to get his head above water again?

It was the Republican ex United States Senator Butler, of Massachusetts, whose financial interest is in the textile mills of that State. It was brought in his name and he sat on the front row of the Supreme Court room to listen to the decision rendered in his favor. Three of the nine judges said the law was all right and six said it was unconstitutional. Once a Republican Supreme Court said the income-tax law was unconstitutional by a 5-to-4 decision. Today we have the income-tax law. Who can truly say which decision is right, that of the six or that of the three?

But there is one thing plain to the farmers of the West and the South: There never was, nor will there ever be, a law written for their benefit by eastern capitalists and their representatives in Congress. It must come from the agricultural States and their Members of Congress. The end sought by the A. A. A. was to eventually elevate farm prices to the point where a bushel of corn would buy as much factory commodities as it bought in the 5-year average from 1909 to 1914, which is termed "parity basis." The farmers voted for this program by a vote of 3,693,732 for it and only 562,707 against it, or nearly seven to one. That one out of seven who did not sign reaped the benefit from the program just the same, although unwilling to cooperate.

Did the program succeed? Figures tell their own story—milk was rated as 114 percent of the parity basis on 5-year average, flue-cured tobacco was 114 percent, fire-cured tobacco 117 percent, hogs 94 percent, wheat 80 percent, and corn 70 percent.

There is no law on the Federal statutes deadlier or more obsolete than the antitrust laws intended to prevent extortion and price fixing. The farmer has long tried but failed to organize production as production is organized by factories. There is no politics for the farmer except for him to know that politics is wholly a matter of geography and occupation. Any eastern capitalist would be foolish to join in with this Democratic Congress from the farm States for a farm program like the A. A. A.

And what are we to say to our farmer friend who expects to live and die on a farm casting his lot with the program of the New England States' capitalist? He would certainly be classed as one who believed it was more blessed to give than receive. This is the first time in history that an administration has dared to draw the wrath of the eastern hoarders of wealth and to openly challenge the cause of the farmer. In doing so the President has paid a great compliment to the intelligence of the farmers. He assumes that they will have vision enough to see he is for their uplifting and also assumes that they will be broad enough to stay with him to the finish of this fight.

There is no question at all involved as to whether grandpa fought in 1865 on the side of the North or South. That was permanently settled 70 years ago and will never rise again.

Are the farmers alive to the issue of the hour? Yes; the lines between the farmer and that 10 percent of the people who have 90 percent of the money are sharply drawn and should be more sharply drawn. As one who knows from personal experience the meager existence which a poor farm affords, and the labor required for existence, I know it has been said too often that farmers have the power but lack organization to stand together and get what they want.

It is one thing to read from the cold pages of a newspaper of an alinement in Congress against the farmer but quite a different feeling to see before your eyes and ears a section of this Nation highly organized for greed applauding the verdict which means more toil and less pay for the farm boys back home. Members of the House from farm districts must stand in unbroken lines. We have the votes. We should be able to rely on the farmers to likewise stand pat. They lament drawing of class lines, yet they have met behind closed doors and, by agreement, drawn the lines against the farmer's interest for their own interest for years, while the farmer innocently toiled on, unaware of the conspiracy to rob him. Poverty has sapped the courage, to some extent, of the farm people, but as the bugle calls them again there is enough Americanism left to rouse the old fire in

them. This is not a military war between the States but a commercial struggle for existence of the farmers of the West, Middle West, and South to break the stranglehold of the capitalistic East.

The one infallible sign of decay and age in any nation is when a few people get all the money. We have reached that stage in America. We, as a nation, are prematurely gray. The only way to meet a controlled price is to sell a product with a controlled price. It has all been one-sided in the past. The farmer is not radical, but he wants and needs a fair, square deal and a living wage. Agriculture is the first occupation of the world. The children of man cultivated the soil before they built cities. No critic of the A. A. A. has ever offered or pretended to offer any substitute whatever. They want the system to revert to the old system with the old prices that drove the farmer into bankruptcy and lowered the standards of living for him and his children.

The farmers cannot use the 8-hour law or strike for higher wages, and, worst of all, he cannot today have anything to say about the price of his own product sold. When the farmer buys he says, "What will you charge me?" When he sells he says, "What will you give me?" This condition would ruin eventually any business in the world.

I wish every farmer of America could sit in the galleries of the House of Representatives for a few days and see and hear. He would decide that if he ever in his life expected a square deal that he would never get it from the centers of organized industry. One of these days he will break the bonds of superstition that hangs with some of them and organize with a united front for his own interest. This will result in another emancipation proclamation freeing the American farmer from bondage and slavery. Yes; this is a class issue, and it is a matter of geography and occupation, and it is the only issue of the hour.

I hope to be able, when we have regained what we have lost, to return that applause which sank into me as adding insult to injury.

I propose to vote for each and every measure, large or small, now or later, intended for the farmers' benefit, regardless of what group or class opposes it. And, also, whether it be to enhance the price of the product of the farm or to reduce the price of what he buys.

Organized greed says they have no malice aforethought toward the farmer, which, in a way, may be true, but when they fix all the terms of business to suit themselves, it results in injury to the farmer as much as if done maliciously.

This is the day the farmer is entitled to his day in court, and if a suitable substitute for recently destroyed legislation cannot be had, then a constitutional amendment is the only remedy. This would require 2 years and a fight, but since we are all enlisted for the war, regardless of its duration, let us "stand pat" until the end is accomplished. In the meantime the next best substitute for the A. A. A. must be enacted while we have the votes.

Any administration which fails to recognize farm industry as the first industry and the basis of all other prosperity is short-sighted and detrimental. Let us dedicate ourselves to the task of regaining that which we have temporarily lost and then hold it.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, there always will be two major parties in the United States, one of which will be in control of this Government. That is the only safeguard for the American people. These parties will always have platforms. When one of them in power is unfaithful to the people, the people have the right and opportunity to displace them from power.

I am a party man. I believe in party government as a safeguard to the American people. In 1928, at the time of the national convention at Houston, I was a candidate for the United States Senate in Texas, and I had an awfully good chance to be elected. I had promises of support from many of the best people all over Texas. Then the Houston convention was held. I had opposed Hon. Al Smith from

this floor many times on fundamental questions. He was nominated in that convention in the city in which I was born, and immediately at the place where I was making my campaign speeches that day I received a telegram from a newspaper reporter wanting to know what I was going to do now since Al had been nominated. He was trying to put me on the spot. Here is the telegram I sent him:

I am a Democrat. I believe in party government. It is the people's only safeguard. When a party ceases to be faithful to the people it can be removed. Through no other system have the people any redress. The Democratic Party is bigger than any nominee. I have never yet scratched a Democratic ticket. It is too late for me to begin now. Al Smith and I differ on some fundamental questions, but my Democratic Party has spoken and he is my party nominee. I was against him prior to his nomination, but I subject my will to the will of my party. I shall support the Democratic ticket from top to bottom, from President to constable. I realize full well it will defeat me for the United States Senate, but I have been the recipient of Democratic favor too long for me now to desert its banner. I won't be a traitor. I am still a loyal Democrat.

That is my position now and it ought to be the position of the man who received the nomination for the highest office at the Houston convention.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. Not now, but I will later if I have time.

Mr. Chairman, I made 150 speeches that year before Democratic audiences. I spoke for my ticket from top to bottom. In the primaries were six prominent candidates running for the United States Senate. One of them was the sitting Senator, Earl Mayfield; one of them was a former national commander of the American Legion; one of them was a good woman, the national head of the Woman's Federated Clubs of the country, Mrs. Minnie Fisher Cunningham. Another was a former Governor of the State. My good friend, TOM CONNALLY, too, was one of my opponents. CONNALLY and I made 150 speeches against each other, and not an unkind word did I say about him, and not one did he say about me. I carried 79 counties against the field of six candidates in Texas, yet TOM CONNALLY beat me, although he carried only 46 counties, because in those counties were some big cities. So he got more votes than I did in the first primary and I was eliminated. The next day I took the stump for and helped elect him, and in the campaign following, although I had been eliminated for the Senate, I made many speeches for our national ticket and not one single dime did I ask from the national committee.

I paid my own expenses; I paid my own railroad fare; I paid my own automobile and hotel bills, as well as the expenses of the man who drove me. I did not "walk out" on Al or on the Democratic Party.

I am disappointed in Al Smith, the recipient of Democratic favor, the man who has received as much favor from the Democratic Party as almost any man in the United States. I am surprised that he should be a turn-about and a walk-outer at this time.

Mr. Chairman, during that same campaign I heard Members who are now applauding Al Smith bemoaning him, ridiculing him, making fun of him, and attacking him. Now they have taken Al Smith under their wing and are talking for him. You now have your Republican ticket enlarged. Instead of being the Borah-Fish ticket, it is now the Borah-Smith-Fish ticket that you are getting out. You gentlemen are welcome to that.

Mr. DINGELL. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Michigan.

Mr. DINGELL. I was wondering how Texas went that year.

Mr. BLANTON. I am not responsible for how Texas went. I did my part. I carried every county in my district by a tremendous vote so far as I personally was concerned, but for the first time in the history of the Nation my district nationally went Republican. For the first time in the history of democracy the State of Texas nationally went Republican.

Al Smith ought to be a big enough man to take it and take it with a smile and not be disgruntled. You good

Republicans who believe in parties and believe in party government ought to stand up like men and espouse the cause of your own candidates and let our disgruntled alone. We will take care of them. You take care of your own disgruntled. If the gentleman from Michigan can walk up to the polls and support a ticket that is mixed up with BORAH and FISH, if he can reconcile those two antipodes that are farther apart than any two antipodes I know of, FISH and BORAH, all right. Just think of it. FISH, a great conservative, and BORAH, the great liberal. Why, BORAH is so liberal he is thinking right now, like the gentleman from Michigan [Mr. MAIN] about flirting with the Townsend plan. Read the article he had in Collier's the other day. You cannot tell whether he is for it or against it. He is just flirting with it. That is a question too serious to be flirted with.

The gentleman from Michigan [Mr. MAIN] knows that the Townsend plan had no more to do with his election than the whining of a cat on a rock fence has to do with Sunday school.

Mr. MAIN. Will the gentleman yield?

Mr. BLANTON. Did the Townsend plan have anything to do with the gentleman's election?

Mr. MAIN. Will the gentleman send that message to the chairman of the Republican National Committee?

Mr. BLANTON. Yes. But I asked the gentleman did the Townsend plan elect him?

Mr. MAIN. It was very influential in securing for me the nomination at the primary.

Mr. BLANTON. Then I want to ask the gentleman, if it caused him to be sent to Congress, when he was allotted 20 minutes the other day, in his maiden speech from this floor he never mentioned it, never even referred to Dr. Townsend or the Townsend plan, never referred to Mr. McGROARTY, never referred to Mr. Clements, the former real-estate man of Los Angeles, who, when he hooked up with Dr. Townsend, was as poor as a church mouse and is now almost as rich as Croesus.

[Here the gavel fell.]

Mr. TAYLOR of Colorado. I yield the gentleman 4 additional minutes.

Mr. BLANTON. I want to say to the gentleman from Michigan [Mr. MAIN] that while I twit him and prod him, I like him personally, and I think possibly he may live through this Townsend business.

May I ask him a further question. Since he has come from Michigan and has spoken on the floor of the House, and has been associated with the Members on both sides, does he think for one moment that there is any chance of passing the Townsend plan? May I say further, that every man here, who was not just blown in temporarily on some landslide, has done something worth while in his district or he would not stay here long. Every man here is an outstanding man in his district. Now, after having associated with them, does the gentleman from Michigan [Mr. MAIN] believe for one moment that there is any chance of passing this Townsend law?

Mr. MAIN. Not at this session. The gentleman has answered his own question.

Mr. BLANTON. I want to ask the gentleman some more questions. The gentleman does not expect to do it at this session?

Mr. MAIN. No.

Mr. BLANTON. Does the gentleman expect to do it at the next session?

Mr. MAIN. That remains to be seen.

Mr. BLANTON. Then does the gentleman from Michigan [Mr. MAIN] expect to come here and undermine his colleagues and cause them to be put out of the House? Or does the gentleman expect by his logic to convince his colleagues of the soundness of the Townsend plan? How is he going to do the latter if he does not even mention the Townsend plan in his entire speech? How do you expect to change the judgment, discretion, and opinion of these Members here if you do not get up and do it by a logical argument?

Mr. MAIN. I came here interested primarily in the old people in my district and to find a way to raise revenue in order to provide for a generous pension for their maintenance. I am not interested in Dr. Townsend, and I am not interested in Mr. Clements. I am only interested in the protection of those elderly people.

Mr. BLANTON. I do not want the gentleman from Michigan [Mr. MAIN] to leave that out of his remarks, because I have finally gotten the truth. He stated "he is not interested in Dr. Townsend." Of course, he is not interested in him. When he took that oath the other day to abide by the Constitution it impressed him. His whole maiden speech was on the Constitution after he took the oath, it impressed him so. He was talking about obeying and upholding the Constitution, and he heard the great leader of Dr. Townsend and of Brother McGROARTY on this floor, my young friend, MONAGHAN, from Montana, get on the floor here and say the other day, "It is true that the Constitution nowhere authorizes you to tax all the people to pay a gratuity to a particular class."

Mr. MONAGHAN made that statement here in the presence of our friend from Michigan, Mr. MAIN, and when he heard his leader speak he dropped the Townsend plan. He is not interested in it. It is dead as Hector, and he knows it.

Mr. MAIN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. The gentleman from Michigan [Mr. MAIN] is not going to change the position of a man on this floor, and the sensible people back home are going to back up every man in this House who stands here and fights against this impossible monstrosity.

Mr. MARTIN of Colorado. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I yield to my friend from Colorado.

Mr. MARTIN of Colorado. I want to say first to the gentleman from Texas that when I mention Senator BORAH, I mention him not as a Member of another body but as a candidate for President.

Mr. BLANTON. The gentleman always has that right. When a man is a candidate you have the right to mention him anywhere because the rule changes.

Mr. MARTIN of Colorado. I think the gentleman from Texas a few moments ago very properly used the word "flirting" in connection with Senator BORAH's attitude toward the Townsend plan. During the recess of Congress out in Idaho he was reported to have very kindly mentioned Dr. Townsend and the Townsend plan, which has brought him a great deal of favorable publicity through the Townsend Weekly. I think it is only proper at this time to remind the Townsend people throughout the country that Senator BORAH allowed 8 long months to go by in the last session of Congress without saying a kind word for Dr. Townsend or the Townsend plan on the floor of the Senate. He is doing the same thing now—that is, saying nothing in the Senate—and he let the opportunity go by over there in the last session to offer the McGroarty bill as a substitute for the security bill, as was done in this House, or to introduce a Townsend bill in the Senate. So I think the gentleman from Texas very properly used the word "flirting" to describe what the Senator is doing, because flirting is never meant seriously.

Mr. BLANTON. Every good lawyer in the United States knows full well that the proposed Townsend plan is unconstitutional and that it would be set aside and annulled by the Supreme Court before it could be put into effect. Not an aged person would ever receive one dollar from it. Hence it is a delusion and a snare. It is a fraud on its face. It is deceiving good people. It is taking money from them under false pretenses. It will end in their sad disappointment.

But even if it were constitutional, which clearly it is not, a 30-page report just made public, of an intensive study of it made by 18 professors in the Chicago University, shows that it would be absolutely ruinous to the country and could not raise but a small part of the money needed to pay it. I quote the following from today's Washington Daily News just off the press:

[From the Washington Daily News of Jan. 27, 1936]

TOWNSEND PLAN HELD "DELUSION" IN STUDY BY UNIVERSITY GROUP—CHICAGO PROFESSORS DECLARE PROPOSED TAX INADEQUATE TO FINANCE VAST PENSION SCHEME

The Townsend plan's proposal for \$200-a-month pensions for some 7,000,000 Americans past 60, financed by a 2-percent "transaction tax", was declared "altogether a delusion" in a report made public today by the economics faculty of the University of Chicago.

The report covers 30 pages, and is the first intensive study made of the Townsend plan by an academic group of experts. Eighteen faculty members engaged in the study, under the direction of Dr. H. A. Millis, head of the university's department of economics.

40 PERCENT OF INCOME

"The vast pension scheme," says the report, "would cost twenty billions a year, which is 40 percent of the 1934 national income."

To finance this burden would "throw over all hope of preserving a sound monetary system" and cause a currency or credit inflation to the tune of 15 billion or more a year, it asserts.

The income tax proposed to supplement the transaction tax would raise only \$51,000,000 a year, say the Chicago economists, and the 2-percent extra tax on inheritances and gifts would yield "not much more than \$25,000,000."

TAX INADEQUATE

The transaction tax, says the report, would yield "very much less than the slogan of \$200 a month implies."

"There is no ground for thinking that it could possibly produce more than \$6,000,000,000 a year in anything like present circumstances. In fact a yield of over \$3,000,000,000 would be surprising."

"Its administration would be prodigiously difficult, if not impossible." The report adds that, far from reviving business, it would have the opposite effect.

SCARCELY \$75, NOT \$200

Instead of financing \$200 a month, say the economists, the transaction tax would "scarcely yield enough to pay \$75 per month" to 7,000,000 pensioners, much less \$200 to 10,000,000, "even without shrinkage of transactions below present levels."

And while proving ineffective to meet the claims, it "would constitute a burden strong enough to exert a strong upward pressure on living costs and a strong downward pressure on farm prices and wages." Furthermore, it is asserted, "the tax would operate in favor of large firms as against small, and in favor of chains as against independent units. Many firms would probably be wiped out."

Such a tax, the report says, would cause the "virtual disappearance (or migration to Canada) of security markets and produce exchanges." It would "reduce employment and intensify the depression by increasing business uncertainty and inducing public and private hoarding."

The Queen Anne's Record is a newspaper ably edited by William E. Grose at Centreville, Md., and in its issue of Thursday, December 26, 1935, is such a splendid editorial against robbing the aged I want to quote it, as follows:

PAUPER PENNIES

It is not often here at the Record that we decline to publish contributions to our Mail Bag.

We consider that department of the paper an open forum and letters are welcomed.

Last week we declined to publish one. It was written by Mr. G. D. Neavitt, advocating the formation of Townsend clubs in Queen Annes County.

In our opinion, to lend tacit approval to the formation of such groups in this county by printing Townsend propaganda would be violating the creed that appears in our masthead—i. e., "To espouse the best interests of the Nation, Queen Annes County, and the Eastern Shore . . ."

And we are not immediately concerned with the all-consuming objective of the Townsend plan—the payment of a \$200-a-month pension to all persons in the United States who have reached the age of 60.

We are concerned, however, with the amount, albeit small, that it will cost the people of Queen Annes County to pursue the pipe dream and delusion of ever obtaining a \$200-a-month pension.

It is the pittance wrung from the aged and infirm—many unable to afford it—that concerns us.

Dr. Townsend personally is a gentle old soul. True, his imagination spawned the idea, but it is not Dr. Townsend who conceived all the schemes to keep the idea alive and make it grow.

It is not Dr. Townsend who thought up all the ways to milk old people of their dollars, quarters, dimes, nickels, and pennies.

Political sharpsters and younger parasites, quick to size up the money-making possibilities of the scheme, flocked to the cause. Theirs was the job of designing the trimmings.

Knowing that no one will blow Townsend bubbles if the cost is too high, all has been geared on chicken feed.

For 25 cents a palsied hand can send for a booklet outlining the movement. For 10 cents per member per month the aged and infirm can join the club and sit in while a young or middle-aged crackpot discourses on Utopia.

For nickels and pennies many who dread thoughts of the almshouse or the sharp tongue of an in-law can buy reports, copies of the bill, buttons, banners, stickers, and doodads to fan the flames of delusion.

For a dollar rheumy eyes can read the movement's weekly newspaper and live in a world of make-believe, conjuring up dreams of the heaven-on-earth that \$200 a month will bring.

Eventually the bubble will burst, but until it does younger leeches will sit in swivel chairs and fatten on pauper pennies.

Let me repeat again, that after all of the money which has been spent organizing Members' districts, and having Members threatened with defeat if they did not support the Townsend plan, when the matter came to a vote in the last session there were only 56 Members who voted for it. Not a member of the Texas delegation voted for it. All 21 Members of the Texas delegation were solidly against it. If the gentleman from Michigan [Mr. MAIN] were to stay here for 50 years he would never see any Congress pass a law which we all know is unconstitutional and which would ruin the United States.

Mr. TAYLOR of Colorado. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DOUGHTON, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate having proceeded to reconsider the bill (H. R. 9870) to provide for the immediate payment of World War adjusted-service certificates, for the cancellation of unpaid interest accrued on loans secured by such certificates, and for other purposes, returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and passed by the House on a reconsideration of the same, it was

Resolved, That the said bill do pass, two-thirds of the Senators present having voted in the affirmative.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4178) entitled "An act for the relief of the International Manufacturers' Sales Co. of America, Inc., A. S. Postnikoff, trustee."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3328. An act to provide an official seal for the United States Veterans' Administration, and for other purposes.

DESIGN AND CONSTRUCTION OF AIRSHIPS

Mr. HARTER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a report made to the Secretary of the Navy by a committee which was appointed to review and analyze the past and present situation as to design and construction of airships and make recommendations as to their future design and construction.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HARTER. Mr. Speaker, under the leave to extend my remarks in the RECORD I include the following report made to the Secretary of the Navy by a committee which was appointed to analyze the past and present situation as to design and construction of airships, and made recommendations as to their future design and construction.

NEW YORK CITY, January 16, 1936.

HON. CLAUDE A. SWANSON,

Secretary of the Navy, Washington, D. C.

MY DEAR MR. SECRETARY: The committee appointed at your request by the Science Advisory Board is intended "to review and analyze the past and present situation as to the design and construction of airships and to make recommendations as to their future design and construction."

We have understood the first phrase in the specification of our field of investigation as indicating a study historical and analytical in character and logically essential in order to proceed with the second specification relating to the future of such construction.

At the present time we desire to make a report of progress relating in particular to the basic question of the practicability of the design, construction, and operation of airships, with a reasonable assurance of their safety and reliability and with such technical characteristics as to offer good promise of potential usefulness either for commercial or military (naval) use.

While in accordance with our instructions we make no attempt to discuss the technical phases of the uses of airships, either military (naval) or commercial, we cannot present our conclusions regarding the practicability and potential usefulness of such structures independent of some recognition of the general fields in which they seem to offer effective service.

Thus referring to the annual report of the Secretary of the Navy for 1935, and in particular to the report of Rear Admiral King to the Secretary, uses of the following character seem to be indicated:

"(1) Coast patrol service, especially detection of submarines and mines.

"(2) Guidance of troops convoys and naval vessels through mine fields.

"(3) It is also common knowledge that the large airship is looked to especially for services of the character of strategic reconnaissance and as an airplane carrier.

"For the first-mentioned services, nonrigids (blimps) and rigid airships of small or moderate size are indicated, while for the last-named service, ships of the largest size will be required."

In the commercial field we recognize the possibility of effective service for ships of various sizes, small, medium, or large, according to the various traffic requirements. Demonstration of such service in recent years is given by the *Graf Zeppelin* of the Luftschiffbau-Zeppelin, and is further indicated by the continuing policy of this company as evidenced not only by their construction of the *L. Z. 129*, now approaching her test trials, but also their announced intention of building additional ships.

We now consider, therefore, the basic question: Can a reasonably safe and useful airship be designed, constructed, and operated, and if so, under what broad conditions?

DESIGN AND CONSTRUCTION OF A SAFE AND USEFUL AIRSHIP

The answer to this question turns immediately on the meaning attached to the two words "safe" and "useful."

First regarding safety in the various means of transport. Nothing is entirely safe. Railway travel has its accidents and casualties, surface ships are wrecked, airplanes crash, and the automobile, including errors of operation, is perhaps the most unsafe of all modern agencies of transport. Yet in the face of these all too familiar occurrences, we do not contemplate giving up any of these means of transport.

The reason is partly or perhaps largely psychological. These means of transport have established themselves as a part of our modern civilization. They are performing a service which, in the mass estimate of our people, justifies their retention and development in the general scheme of the transport of persons and things, despite the numerous continuing accidents and casualties.

Obviously it is impossible to fix any definite percentage or measure of performance as constituting a safe surface ship, a safe airplane, or a safe airship. We may, perhaps, however, define a safe airship as one the performance of which, in the mass estimate of those interested in this mode of transport and with some competence of judgment, is such as to justify its present retention in the general scheme of transport and its development at least to the point of demonstrating whether or not it is or will be capable of attaining and retaining an assured and useful place among other competitive means. The point here is that quite aside from the question of safety, the airship, especially the airship of the largest size, must be considered as not yet having acquired a wholly assured place as an agency of transport, and in order to make practicable a satisfactory determination of this latter question the structure itself must be given a measure of safety which, in the mass estimate of those with some competence of judgment, will justify its further development and use to the point of definite demonstration.

In connection with the general question of airship safety and the future of the airship as an agency of transport, we have given special attention to the record of the principal casualties which have marked the development of this type of structure. Regarding these casualties, both in the United States and in Europe, we note especially two points:

1. All development of a new form of transport, and more broadly all new developments, are subject to possible hazards. This has been true in marked degree with the airplane, the heavier-than-air form of air transport. We have, however, accepted these hazards and casualties as a part of the price which must be paid for all such steps forward.

2. Our study of the record of these casualties leads us to the belief that, with the lessons which have been drawn from them, and with the general advance in our understanding of the technical problems of airship design, construction, and operation, the probability of a repetition of such casualties under like conditions should for future construction be reduced to a point which, if not vanishing entirely, may be considered as acceptable in comparison with the promise of useful service.

Regarding the question of a useful airship, we have already referred, in broad terms, to the apparent fields of potential service for structures of this character and we do not consider that further discussion of this phase of our problem is essential at this point.

Regarding the safety of such types of construction, we consider the entire record of the service of small nonrigids and of rigid airships of moderate size, in convoy and patrol services, during the Great War and elsewhere, as warranting the assertion that safe and useful ships of these types and sizes can be designed, constructed, and operated.

As regards airships of the largest size, such as the *Akron* type and upward, it becomes necessary to define more carefully the conditions under which a reasonable and proper margin of safety can be secured.

With reference to this type, your committee is prepared to give likewise an answer in the affirmative, as to the practicability of a safe and useful airship, but under general conditions as follows:

CONDITIONS FOR DESIGN AND CONSTRUCTION OF A SAFE AIRSHIP

1. Design in the light of the most careful and thorough analysis of world experience with airships up to the present time and including in particular all failures and casualties regarding the causes of which reasonably adequate information is available.

2. Design in the light of the most recent studies and advances in the mechanics of typical airship structures.

3. Specification of aerodynamic loads, whether due to maneuvers or to storm conditions (gusts, etc.) in the light of the most recent and careful studies based on:

(a) Approved aerodynamic theory including the most recent advances.

(b) Results of wind-tunnel research and of experience with actual ships.

(c) Recent advances in meteorological science with special reference to the structure of gusts, polar fronts, line squalls, etc.

4. Construction under conditions as to supervision and inspection which will insure the nearest practicable approach in the completed structure to the qualities and characteristics contemplated in the design.

5. On the completion of the structure itself, opportunity for operation under some cooperative arrangement between builder and owner, over a period of time sufficient to permit the taking of strain-gage readings at all critical points of the structure and other technical observations under progressively and more and more exacting conditions, maneuvers and weather, up to and including conditions approaching the most severe to be anticipated. Such period of test should not be curtailed or hurried. It is of vital and fundamental importance. It will furthermore give opportunity for the development and correction of many matters, important or otherwise, which may always be expected when a new design first takes the air.

6. When delivered for service, operation by a personnel thoroughly trained and experienced in the handling of airships and in the light of the most complete meteorological information available, analyzed for the guidance of the command by an experienced aerologist trained in the more recent advances in meteorological science.

Of these various conditions it seems proper to note at this point that for the designs of the *Akron* and *Macon* Nos. 1, 2, 3, and 4 seem to have been met within the measure of the information available at the time when these designs were developed. While there have been differences among experts in airship design regarding the relative value of certain general types of structure, especially as to certain features of what may be called English design and German Zeppelin design, the adoption of the general type of Zeppelin structure seems to have been justified on the ground of successful experience. And with the adoption of this general type of design the requirements of conditions (1) to (4), as based on the information available at that time and the methods of design then current, seem to have been consistently undertaken.

The history of the trial runs, however, shows that condition (5) was not adequately met.

Regarding operation as referred to in condition (6) we express no present opinion, especially in the sense of indicating responsibility for the loss of either the *Shenandoah*, the *Akron*, or the *Macon*. Furthermore, in the cases of these ships the question of operation as a factor involving personal responsibility for their loss has already been passed on by official naval boards of inquiry, and a review of the findings of those various boards is no part of the specified duty of this committee.

IMPROVEMENTS IN CONDITIONS FOR AIRSHIP DESIGN SINCE 1928

Regarding airship design and construction at the present time or in the immediate future as compared with the situation in 1928, when the designs of the *Akron* and *Macon* were developed, improvement in these various conditions may be noted as follows:

Condition 1. There is a large amount of actual experience available at the present time not available at the earlier period. This includes:

(a) Actual flying experience with the *Akron* and *Macon* for 3,257 hours of time and over 160,000 miles of distance, together with the special studies relating to the conditions surrounding the loss of these two ships.

(b) The experience of the *Graf Zeppelin* in demonstration flights around the world and in commercial flights during the past 6 years aggregating some 11,868 hours of flying and covering some 736,289 miles of distance. Through the kindness of Captain Eckener and his governing board in permitting both officers of the Navy and American engineers in civil life to participate in the trips of this ship in regular flights between Europe and South America, the salient features of this long and successful period of airship operation are at the disposal of American designers in connection with the development of new designs.

Condition 2. In recent years there have been developed certain advances and refinements in the theoretical treatment of the mechanics of structures such as airships, all of which will aid in obtaining enlarged assurance of the desired and contemplated relation between the loads assumed and the strength of the structure provided to carry such loads.

Condition (3). The importance of aerodynamic loads and of due allowance for their effect on the structure has received continued and careful study over the period since the preparation of the Akron-Macon design and there has been a continued accumulation of information which, we believe, will serve as a more adequate basis for the estimate of such loads than was possible in 1928. In addition, this committee has now under investigation certain phases of this general problem, especially as regards the aerodynamic load on fins and its distribution, together with studies on the structure of gusts and their influence on airship structures as a whole or locally. We have also in mind recommendations for further studies on this particular subject, all of which should aid in making practicable a more adequate estimate of the loads to be provided for, due to various combinations of aerodynamic conditions.

Likewise, in meteorology, since the period of the design of the Akron and Macon, there have been great, even revolutionary, changes in the technique of accurate forecasting. It may be assumed that there will always be a possible hazard for airships, or for any aircraft, in extreme weather conditions; but with these more recent advances in the science of meteorology and with the enlarged information now available from more numerous sources and points of observation, it would seem that there should be no serious difficulty in avoiding such extreme hazards. Here, again, the 6 years' experience of the *Graf Zeppelin* seems to furnish proper grounds for this general conclusion.

On the whole, therefore, and with special reference to airships of the larger sizes, we believe that it is practicable to design, construct, and operate such airships with a reasonable assurance of safety and with a presumptive life which should serve to permit of a demonstration of their capacity for useful service, whether commercial or military (naval).

RECOMMENDATIONS AS TO FUTURE CONSTRUCTION

It has been already pointed out that the experience with large airships in the United States has not as yet been sufficient to give ground for a wholly settled opinion as to the character and extent of their potential usefulness, either commercial or naval.

In view, therefore, of our expressed opinion as to the practicability of the design, construction, and operation of such airships with a reasonable margin of safety and with the presumption of capacity for useful service, it is the unanimous opinion of this committee that the best interests of the services in which airships give promise of useful and effective service, both commercial and naval, require a continuing program of construction and use.

And in pursuance of this opinion it is our recommendation that the Navy Department should continue with a positive, carefully considered program of airship construction, including non-rigid and rigid ships of small or moderate size as service requirements might indicate, and extending to a ship or ships of large size, to the point, at least for the latter, of furnishing ground for definite conclusions regarding the capacity for useful naval service of constructions of this character.

We further recommend most strongly that the first large airship built under such a program should, at least for a time, be considered not an adjunct to the fleet but, rather, a flying laboratory or flying training ship, not only for extensive technical observations of the structure under operating conditions but also for enlarging our knowledge regarding the best conditions of service for such vessels and, as well, for giving opportunity for the training of officers and crew in the technique of handling airships under all conditions of weather and service.

In a subsequent report or reports we shall, with suitable recommendations and supporting documents, present in some detail material more fully and directly responsive to the technical phases of your letter of instructions.

Respectfully submitted.

A. V. DE FOREST.
WILLIAM HOVGGAARD,
FRANK B. JEWETT.
TH. V. KARMAN.
CHARLES F. KETTERING.
R. A. MILLIKAN.
STEPHEN TIMOSHENKO.
W. F. DURAND, *Chairman*.

LOW-COST HOUSING

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on low-cost housing.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BEITER. Mr. Speaker, less than a year ago the senior Senator from New York [Hon. ROBERT WAGNER] introduced a bill in the Senate—S. 2392—in an effort to meet the housing situation in the United States. Its title told the story. It was a bill "to promote the public health, safety, and welfare by providing for the elimination of insanitary and dangerous housing conditions, to relieve congested areas,

to aid in the construction and supervision of low rental dwelling accommodations, and to further national industrial recovery through the employment of labor and materials."

With the consent of the Senator, I introduced the same bill in the House on January 20, 1936, H. R. 10386.

I believe it will be agreed by many Members of this House that social ills and moral dangers are brought about through neglect in providing wholesome and proper housing for families of moderate income.

Our Government has been and will continue to be compelled to pay in impaired vitality and health of a large part of its people for its failure to recognize the seriousness of this situation.

Delay and inaction have less excuse now than ever before. H. R. 10386 has been devised for dealing with this basic and all-important problem, which is rational, economically sound, and thoroughly American. Clean American life requires good homes, decent living and working conditions, and adequate space for play. Efforts to meet the situation are of two main types, restrictive and constructive. Of the former type is the unevenly distributed system of regulatory laws and ordinances which set up minimum standards of light, air, sanitation, and safety by an exercise of the police power in the interest of health, morals, and general welfare. Under the second heading are classed employers' housing and the housing erected by limited dividend companies, insofar as they produced better housing at cheaper cost than private business enterprise.

It should be clearly understood, however, that restrictive housing legislation involves an expansion of the functions of government, limiting the right of the individual to do as he likes with his property at the point where the community believes the health, morals, or safety of others are liable to be endangered. Such regulations are always resented and fought by owners of insanitary and dilapidated old houses and by those builders and real-estate developers who want to overcrowd the land with shoddy buildings in the future.

In studying means of advancing the President's forward-looking policies of rehabilitating our Nation, the problem of providing adequate homes and living conditions for America's lower-income earners presented itself prominently. His recognition of the great social evil of the slum gives us cause to hope that the program now directed toward its abolition may be continued and enlarged until the sought-for goal is attained.

Innumerable records made by the cities themselves, the researchers of P. W. A.'s own Housing Division, and surveys of the United States Department of Commerce, all show that the maintenance of slum areas costs from 3 to 10 times the aggregate of their tax contributions.

When it comes to slums, we are financing annually a terrible deficit. Here is a perennial unbalanced budget that does not give the Liberty League and the United States Chamber of Commerce or the Wall Street bankers the slightest concern. Literally, we are subsidizing the most shameful phase of our civic life. As long as the need for parks and playgrounds and hospitalization is recognized there is also need to recognize good housing for those of small incomes. We have been using millions of dollars of public money annually for many years to pay the cost of slums, to perpetuate our lowest income group in worse than medieval squalor. Here, in very truth, is a sordid investment of the taxpayers' money in vice and crime and disease. As the philosopher said:

When millions of people are still living in hunger, pain, degradation, and slavery, all work which has not for its purpose, direct or indirect, the alleviation of human suffering is either useless, futile, or criminal.

"Disaster spreads death in forgotten slum-clearance area" was the headline of a first-page story in a leading Buffalo paper January 2, 1936.

Five persons lost their lives, and six others miraculously escaped death—

Continues the gruesome story. Victims trapped under crumbling ruins of building in LeCouteuleux Street.

The explosion crumpled the 40-year-old building with a crash that rocked the entire downtown area. It dragged down into the ruins two women, a man, and four children. Some of the oldest buildings in the city are located there. Many were built in the 1830's. After the district saw the peak of its prosperity around the time of the Civil War, the area had a reputation carried around the world by sailors as one of the "toughest places in the United States, equaling the Barbary Coast for crime of all kinds."

This building and this area are typical, whether in Buffalo, Chicago, New York City, or San Francisco. Some of the cheapest and most undesirable places house from 1 to 50 families and provide little wooden cubicles about 7 feet by 10. A floor formerly used for business or manufacturing, with windows at the front and rear, is divided off into as many of these little cubbyholes as space will permit. Only a few have direct light and ventilation from the outside. Bathing facilities are poor and scant. Some houses have a water supply inside, the others have only a yard hydrant which compels families to carry in buckets the water supply for cooking, scrubbing, bathing. Many outside brick walls are cracked and in need of painting; some chimneys seem ready to topple; many rooms need artificial light all day; and the narrow passages of cobbled streets, the dead-end streets, and the courts have little light at night. Overcrowding is prevalent, and there are many instances of a whole family in one room.

There are still 10,000 privies in Philadelphia, and many of the courts have open gutters for surface drainage. The tuberculosis death rate in the congested Negro sections is from three to five times as high as that of the city as a whole.

In Cincinnati there are about 12,000 tenement houses, and a survey discloses that of the buildings visited 70 percent of the rooms are dark, 3.7 percent are damp, and that there were but 80 bath tubs in 1,706 apartments.

New York City has had a housing and health problem from the earliest days. The city was originally built up with one-family dwellings. When a neighborhood lost social standing, property was neglected, and many families moved into a house intended for one, living there in filth and squalor without sanitary convenience. The early tenements were mere barracks. Water supply and toilets were in the yards. Dark rooms were numerous.

The number of interior rooms in old houses, without windows to the outer air, is incredible to those who have not studied the subject. New York has over 350,000 such rooms. Boston has them, San Francisco, New Orleans—every big city. But so have many of the small ones, and they are not unknown in the open country. And then there are millions of rooms, only a little better, whose windows look out on dark, narrow courts and passageways, sometimes mere cracks between two walls.

Darkness develops rickets in children and helps the spread of tuberculosis from every open lesion case. Almost all tenement babies have rickets to a greater or lesser degree. Dark rooms, moreover, are not kept as clean as light rooms, because the dirt does not show.

This is a favorable opportunity to push H. R. 10386 for the following reasons:

First. Every dwelling built saves something like \$400 which must otherwise be wasted in keeping in idleness the labor which the building of the dwelling would directly or indirectly employ.

Second. Materials are plentiful and cheap and are mainly produced at home.

Third. Building prices are favorable.

Fourth. Money is so plentiful, so idle in the banks, that hundreds of millions are available for Government use at from 1 to 3½ percent.

Fifth. The building of houses that are needed creates a valuable capital asset capable of earning a revenue for 50 or 75 years. There are few forms of wealth from which the return is more steady or more secure.

Sixth. There are not many forms of large-scale expenditures which have so little effect in disturbing the balance of trade or the rates of exchange.

Seventh. There are few channels through which purchasing power can be so widely and safely distributed, or through

which a more healthy stimulus to home industry can be given; while every dollar so spent or distributed produces equivalent and permanent value.

Eighth. And, last but not least, the price of the slums represents a constant drain upon the community in terms of ill health, crime, juvenile delinquency, and relief. Slums never yet have been a profitable investment for any city. They return little to the municipality at the tax window; they exact much of the public revenue for police and fire protection, health service, charity, and the upkeep of jails and penitentiaries.

The problem has been long neglected, but it is not insoluble.

I believe above others that there has been a divided responsibility—a responsibility divided as between the local authorities and the Government.

By such means as outlined in H. R. 10386 we concentrate that responsibility, because the Government itself accepts that responsibility for undertaking to see the thing through.

Mr. Speaker, there is an urgent need for action, and I trust my colleagues will join with me in urging the committees to report the bill. If the Members will act now, even though the way is long and the going tedious, the millions of respectable American families that now lack even a minimum of decent shelter will be given modern, healthful, comfortable, and efficient dwelling units at low rentals.

THE NATIONAL DEFENSE

Mr. HIGGINS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a radio address by my colleague the gentleman from Massachusetts [Mr. McCORMACK].

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HIGGINS of Massachusetts. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following radio address by Representative JOHN W. McCORMACK, Democrat, of Massachusetts, over the Columbia Broadcasting System, Friday, January 17, 1936, at 4 p. m.:

The Constitution of the United States, the fundamental law of the land, guarantees to each and every one certain rights which Government itself cannot impair or destroy. It is the greatest document relating to a government ever devised in the history of mankind. In that immortal document will be found the efforts of many generations of bygone days to obtain recognition of human rights and to establish safeguards for the preservation of these rights. Under our form of government the people, the supreme or sovereign power, speaking through the Constitution, established a democratic form of government operating through the representative system and setting forth the great human rights that past generations so courageously fought to obtain.

A democracy is a government by the people as distinguished from a dictatorship, which is a government of one person invested with the absolute powers of government; or an oligarchy, a government in which the supreme power is in the hands of a few. Under all forms of government other than a democracy the people have no inherent rights; they are political slaves, having no voice in the conduct of government except what he or they in control of government permit by sufferance. What rights exist are simply at the will of the supreme power. In a democracy the opposite is true. Our rights are set forth in the Constitution, with safeguards to protect them. Legislative bodies possess no power to limit or abridge such rights except by the will of the people, as provided in the Constitution.

The value of our form of government and the necessity of detecting its enemies is best evidenced by what is happening in other countries of the world where dictatorships or class governments exist. I particularly refer to Soviet Russia, the form of government which an un-American movement seeks to establish in the United States, under which the individual possesses no natural rights and where even the great principle of freedom or religious conscience has been destroyed.

In the United States we possess by constitutional guarantee the right of freedom of speech and the press, of the right of a trial by jury, of the right of ownership of our property and which cannot be taken away from us except by due process of the law, of protection of the sanctity of the home and family life, of freedom of a religious conscience and of the free exercise thereof, and of other great human rights necessary for the "life, liberty, and the pursuit of happiness" of a people. Under dictatorships, or class governments, we find few, if any, of these rights existing, and where they do exist, it is only by sufferance, not as a matter of right, and simply because expediency permits or calls for their existence, and then only for such period as those in control of government desire.

In addition to our inherent right of a free religious conscience, we possess another right, one of the pillar stones of a democracy, which I have already mentioned, the right of free speech and of a free press. That does not mean that one can talk or write without any limitations. That does not mean that one can slander or libel another and if sued or indicted, claim that the Constitution permits unlimited utterances or writings. Slander is license, not the exercise, not the freedom of speech. Libel is also license, not freedom of the press. To take any other position would subject a person to any kind of a false and malicious attack, the deliberate attempt to destroy character and reputation without any means of legal protection. If such a condition existed, or was permitted to exist, no person would be safe, the ultimate result would be chaos. If legal means did not exist for the protection of a person against unfair or unwarranted attacks, one would be compelled, through necessity, to devise means of protecting himself.

While we possess this great right, it does not mean that unbridled utterances cannot be legislated against, and that the well-being of the decent, law-abiding person cannot be protected against utterances, oral or in writing, of those who would exercise this great right in a malicious and destructive manner. It does not mean that one can slander and libel another and then claim that he has a right to do so because of the constitutional provision of freedom of speech or of the press.

Freedom of speech and of the press, as guaranteed by the Constitution, also does not and should not mean that any organization or movement can advocate the overthrow of our Government by violence and force. We have in the United States, as a part of a world-wide revolutionary movement, such an organization, which has as its objective the overthrow of the Government of the United States by force and violence. This movement—communism—through the use of force and violence, has as its objective the establishment of a dictatorship of the so-called proletariat, along the same lines as the Soviet regime of Russia. It is a movement alien to our institutions. It is subversive to our form of government. It is the avowed enemy of every American ideal and tradition. And yet, those who are a part of such efforts, and their allies—and there are many giving them aid and comfort who profess to be Americans—claim that they have a right under our Constitution—freedom of speech and of the press—to advocate not only the destruction of this great right and all others contained in the Constitution, but government itself.

I do not recognize the right of any movement to claim constitutional protection in their efforts to obtain such an iniquitous and destructive objective. I recognize the right of any person, organization, or movement to advocate anything that they want, or any change in our Government, provided they do so within and not outside of the laws—provided they do so in the American way, through the ballot box. Our Constitution provides for an orderly manner of bringing about changes in either government or our fundamental law. While I may not agree with proposed changes, and as a citizen may oppose them, nevertheless, acting within the law, they are proceeding in a constitutional manner, in accordance with the great principle and right to which I have referred. When any movement goes beyond the Constitution and advocates force and violence to obtain their objective, whether this movement is communism, fascism, nazi-ism, or any other name, it is beyond the pale of constitutional protection and should be legislated against.

It is the duty of government to protect itself and its people against such utterances, particularly when they are a part of a deliberate movement to employ force and violence, either presently or ultimately. The people of the United States should demand that their Senators and Representatives in the Congress pass legislation which will make such utterances, spoken or written, knowingly and willfully made, a crime. Such a bill is pending at the present time before the Congress. This bill was recommended to the Congress by the Committee on un-American Activities, of which I was chairman, as a result of our investigations of last year. This bill was reported favorably out of the House Committee on the Judiciary, and at present is on a House calendar awaiting the consideration of the House. It provides that "any person who knowingly and willfully advocates the overthrow of our Government by force and violence shall be guilty of a crime; and if guilty, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 5 years, or both."

Such legislation is proper and necessary. It is aimed at those who advocate overthrow of government by force and violence. It presents clearly the line of distinction between freedom of speech and of the press, and uncontrolled and destructive license. Why should we permit such conditions to exist without the enactment of legislation to meet the same? Members of such a movement are enemies of our form of government. They admitted before my committee their objectives and that they would employ any and all means, legal or illegal, to accomplish the same. It is not a question of whether this movement can be successful in this country, which it cannot; but should we permit them to continue such illegal and contemptible attempts, by force and violence, to disturb the peace of our people, and to try and impose upon us in an unconstitutional manner the government of Soviet Russia, with its destruction of human rights and liberties?

This bill will also apply to any other movement, no matter what its name may be, which attempts to overthrow government, not in the manner provided for by the Constitution, but by force and violence. Under existing law they cannot be prosecuted. Our existing Federal laws provide prosecution only when a conspiracy

exists, which means that it must be proved that two or more persons conspired, and some act is performed in furtherance of the conspiracy. Because of the difficulty of proving a conspiracy, the present law is inoperative and dead.

The special committee also recommended another bill making it a crime for any person who "with the intent to incite disaffection advises, counsels, or solicits any member of the Army and Navy to disobey the law and regulations governing the Army and Navy." This bill is aimed at those who try to incite disobedience just the same as the present law making it a crime for anyone to incite desertion is aimed at those who want to destroy the effectiveness of our national defense. This bill also was reported out of committee, and is pending on the House Calendar. Both bills, in no way affecting the great principle of free speech and a free press, are aimed at the enemies of our Government. Both bills are aimed at the abuse of license. They should both receive the support of all persons who, like myself, love our institutions of Government and who are determined that proper legislation, the purpose of which is to meet the attacks of such enemies, shall be enacted into law. The argument of free speech being involved is a fallacious one, the purpose of which is to mislead and deceive. There is no involvement of free speech, no more than there would be in the constitutional right of a free religious conscience if some group claimed that they had the right, as a part of their religious ceremonies, to offer up human sacrifice or as a part of their religious beliefs to marry as often as they desired. No one with common sense would accept the argument that under the Constitution they had a right to do either of these things, and that no law could be passed against them, as otherwise it would be an attack on the constitutional right of a free religious conscience.

I want to convey a warning and, at the same time, a suggestion to you. Be careful of joining organizations with appealing sounding names and with professed idealistic objectives. Investigate them before joining. One of the methods used by the Communists, and their radical and ultraliberal allies, is to form such an organization with the objective, if sincere, that many are in sympathy with, but which in fact is either a Communist organization or controlled or influenced by them. Hundreds of thousands of fine Americans, in good faith, have joined such organizations without realization of their real purpose. The reason for this warning and suggestion is obvious.

The constitutional guaranty of freedom of speech and of the press is the right of a person to advocate anything that he wants to, provided he does not slander or libel another, and that he does so within the law. It does not permit of the intentional and deliberate advocacy and attempt of the ultimate overthrow of our Government by force and violence. It is about time that this movement, whose hatred of our institutions is admitted and who are doing everything that they can to attain their objective, be made to realize that an aroused American public opinion is going to demand the passage of legislation that will make such illegal and unconstitutional attempts a crime.

EXTENSION OF REMARKS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made in the Committee of the Whole this afternoon and to insert some excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

BILL TO PAY THE ADJUSTED-SERVICE CERTIFICATES (SO-CALLED BONUS)

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. PATMAN. Mr. Speaker, today, January 27, 1936, the Senate of the United States, by a vote of 76 for to 19 against, overrode a Presidential veto of a bill providing for the payment in full now in cash of the adjusted-service certificates held by World War veterans. This has caused the bill to be the law of the land, notwithstanding a Presidential veto, the House of Representatives having overridden a Presidential veto January 24, 1936, by a vote of 325 to 61. This ends a 7-year fight that commenced May 28, 1929.

FULL FACE VALUE TO BE PAID

The bill not only pays in full the face value of the certificates but the bonds, which are to be delivered to the veterans, upon which 3-percent interest will be paid, will be encouragement to the veterans to keep their investment just as long as possible. The average age of the veteran is 43½ years. I believe that they will discreetly dispose of this asset. I believe that very little of it will be wasted. The payment of this debt will not only help the veteran but will help everyone throughout the entire country. It is a great relief to me to know that the 7-year fight has ended victoriously.

STEERING COMMITTEE

Too much cannot be said by me in appreciation of the good steering committee that has at all times assisted in effectively carrying on this fight. The steering committee is composed of the following members:

Abe Murdock, Utah, secretary; Adolph J. Sabath, Illinois; James G. Scrugham, Nevada; Arthur H. Greenwood, Indiana; William M. Colmer, Mississippi; Jennings Randolph, West Virginia; Clarence Cannon, Missouri; William P. Connery, Jr., Massachusetts; William M. Berlin, Pennsylvania; Frank Hancock, North Carolina; Jed Johnson, Oklahoma; James P. Richards, South Carolina; Gerald J. Bolleau, Wisconsin; Andrew J. May, Kentucky; Fred H. Hildebrandt, South Dakota; Martin F. Smith, Washington; Martin Dies, Texas; John E. Miller, Arkansas; George A. Dondero, Michigan; Paul J. Kvale, Minnesota; Roy E. Ayers, Montana; and myself.

CONGRESSMEN VINSON AND McCORMACK

It has also been a pleasure to me to work with my good friends, Congressmen VINSON of Kentucky and McCORMACK of Massachusetts in the sponsorship of this measure, which is known as the Vinson-Patman-McCormack bill. Space will not permit the mentioning of all the names of the many people in Congress and out of Congress and all over this Nation who are entitled to be commended for their efforts in behalf of this legislation. The three major World War veterans' organizations, the American Legion, Veterans of Foreign Wars, and the Disabled American Veterans, are to be commended for their effective shoulder-to-shoulder work.

BOOKLET TO GIVE CREDIT

In the near future I expect to prepare a booklet which will give the history of this proposal from the time the first bill was introduced, May 28, 1929, to date. In this booklet, the name of every person and organization will be mentioned that I know of who has made a contribution to this cause. The road has been very rough, discouragements many. It was only through perseverance, patience, and being armed with a just and honest cause that has permitted us to be successful.

SYNOPSIS OF THE BILL

It has been our contention that the veterans should be paid the amount due them as of the time they rendered the service with a reasonable rate of interest since that time; that if the certificates are dated back to the time they rendered the service and a reasonable rate of interest is allowed, that each veteran was entitled to an amount equivalent to the full face value of his certificate October 1, 1931. The bill that has become a law has vindicated our fight in that it recognizes that each veteran was entitled to the full amount October 1, 1931, notwithstanding that the certificates are payable January 1, 1945. Therefore, no interest is charged on loans after October 1, 1931.

A veteran who is entitled to \$445 will receive \$45 in cash, or a check from the Government, and the \$400 in \$50 non-transferable, nonassignable bonds, which will be interest bearing from June 15, 1936, which may be cashed at any post office or other places designated by the Secretary of the Treasury. This money which a veteran will receive will not be subject to attachment, levy, or seizure under any legal or equitable process, and shall be payable only to the veteran.

Veterans who have not received adjusted-service certificates may apply for them now or at any time before January 3, 1940, and immediately exchange the certificates for bonds in compliance with this act.

No charge will be made against the veteran for any interest on loans after October 1, 1931.

FORM OF APPLICATION TO BE USED

Each veteran will be required to execute adjusted-compensation form no. 1701, published today as follows:

Caution: If a loan has been obtained from the Veterans' Administration and not repaid, the application must be forwarded to the office which made the loan. Failure to obey this instruction will cause delay in settlement. Do not write regarding application. All applications will be handled in order of receipt. If you do write for any purpose other than to notify of change of address, you will only delay action in your case. Filing application or calling in person will not expedite settlement.

APPLICATION

(Application may be filed at any time prior to maturity of certificate)

READ INSTRUCTIONS ON REVERSE OF APPLICATION

(Location of station making settlement.
Not to be filled in by applicant)

PENALTY FOR MAKING FALSE OR FRAUDULENT STATEMENT IN APPLICATION

"Whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of this act, shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned for not more than 5 years, or both."

I hereby make application to the Administrator for the settlement of any amount due and payable to me on adjusted-service certificate no. _____, dated _____, amount, \$_____, further identified by No. A _____

_____, which was issued to _____
(Type or print first, middle, and last names of veteran)
based upon military or naval service during the World War, who was born at _____

(Place of birth of veteran)

_____ on _____
(Date of birth of veteran)
and who may be further identified by Army, Navy, or Marine Corps Serial No. _____, date of enlistment _____, date of discharge _____, and rank and organization at date of discharge _____

I hereby surrender all right, title, and interest in the above-described adjusted-service certificate.

(Sign here)

(Signature of veteran)

Please print or typewrite address of veteran here. (This is address to which settlement will be sent.)

(Street address or route number)

(City or town and State)

Fingerprints of right hand of veteran: Imprint of four fingers taken at same time in presence of person identifying.

CERTIFICATE OF IDENTIFICATION

(NOTE.—Certificate should be executed by some authorized person as set forth in item 6 on reverse side of application.)

STATE OF _____

Date _____, 19__

County of _____, ss:

I, _____, do hereby certify that I am
(Name of person certifying)

_____ and that the person applying for
(Title of office or position)

settlement, evidenced by the above application, is known to be the veteran named and referred to therein and that the signature and fingerprints thereon are his and were made in my presence.

(If the person certifying is a notary, the above certificate must bear the notarial seal; if a postmaster, an impression of the cancellation stamp of the postal station should be made on the above certificate.)

Veterans' Administration
Adjusted Compensation Form 1701
January 1936

INFORMATION CONCERNING SETTLEMENT OF ADJUSTED-SERVICE CERTIFICATE

1. If no loan is outstanding against the adjusted-service certificate it should be forwarded with the application to the regional office or Veterans' Administration facility conducting regional-office activities nearest the applicant's home. Facilities at which regional-office activities are not conducted are not authorized to make these settlements.

2. If a loan was obtained from a bank, but has not been redeemed by the Veterans' Administration, the application will be executed and forwarded to the Veterans' Administration, Arlington Building, Washington, D. C.

3. If a veteran obtained a loan from the Veterans' Administration he was furnished a pink slip (form 1184-c). The same would be true if a loan was obtained from a bank and redeemed by the Veterans' Administration, except that the form would be numbered 1186-a. In such a case if either form is in the possession of the veteran it should be attached securely to the application when submitted.

4. The name and address to which you desire the proceeds of your certificate mailed should be printed or typed in the space provided therefor on the face of this application to avoid any mistake in name or address. The Post Office Department will not accept mail unless addressed to an individual at an established post-office address. Therefore, in giving the post office to which settlement is to be mailed, care should be exercised to give the name of place or post office correctly.

5. It is important that the information required in the application be furnished in order to insure positive identification.

6. Identification: Before settlement is made on an adjusted-service certificate the person applying therefor will be identified as the person entitled to the settlement for which an application is made. If made in the United States or possessions, certification will be accepted if made by a United States postmaster or assistant postmaster over an impression of the post-office cancellation stamp; a commissioned officer of the Regular Establishment of the Army, Navy, or Marine Corps; a member of the United States Senate or the House of Representatives; an officer, over his official title, of a post, chapter, or other comparable unit of an organization recognized under Veterans' Regulation No. 10, or an officer over his official title, of the State or National body of such organization, or any person who is legally authorized to administer oaths in a State, Territory, possession, District of Columbia, or in a Federal judicial district of the United States. If the identification is made in a foreign country, it will be certified by an American consul, a recognized representative of an American Embassy or Legation, or by a person authorized to administer oaths under the laws of the place where identification is made; provided there be attached to the certificate of such latter officer a proper certification by an accredited official of the State Department of the United States that such officer was authorized to administer oaths in the place where certification was made.

7. In the rectangle set-off on the left side of the application blank the applicant will make his (her) fingerprints. The fingerprint impression of the four fingers of the right hand are to be made all at the same time after the fingers have been inked with black printers' ink, or by using a stamp pad. If possible, use printers' ink. It is necessary that the ridges in the print be clear and distinct; otherwise the application will have to be returned to you for better fingerprint impressions. In case any or all of the fingers of right hand are gone, take impression of the fingers of the left hand, stating under the fingerprints that it is the left hand instead of the right. In the case of veterans who are mentally incapacitated and application is being executed by a representative of the veteran, the veteran's fingerprints will be obtained if possible. If this cannot be done, as also in the case of an individual whose fingers are all missing, make a statement to that effect in the space provided for the fingerprints.

8. After making out your application, go back over it and check each item so as to be sure you have omitted nothing and that each item is properly filled out. It will be especially noted that the application must be signed and fingerprints made in the presence of the person certifying as to the identity of the veteran.

The above forms will be made available to all veterans. The bonds are expected to be delivered to the veterans before June 15, together with a check for the fractional part of \$50.

AMOUNT VETERANS IN EACH COUNTY WILL RECEIVE

January 9, 1936, pages 209 to 214 in the CONGRESSIONAL RECORD, there is listed the amount of money that the veterans in each county in the United States will receive by reason of the enactment of this bill. The calculations were based upon the fact that no interest would be charged veterans after October 1, 1931. Since that provision is in the law that was enacted today, the figures placed in the RECORD on January 9 are up to date.

COPY OF LAW

I am inserting herewith a copy of the law as it was enacted:

[H. R. 9870]

Be it enacted, etc., That notwithstanding the provisions of the World War Adjusted Compensation Act, as amended (U. S. C., 1934 edition, title 38, ch. 11), the adjusted-service certificates issued under the authority of such act are hereby declared to be immediately payable. Payments on account of such certificates shall be made in the manner hereinafter provided upon application therefor to the Administrator of Veterans' Affairs, under such rules and regulations as he may prescribe, and upon surrender of the certificates and all rights thereunder (with or without the consent of the beneficiaries thereof). The payment in each case shall be in an amount equal to the face value of the certificate, except that if, at the time of application for payment under this act, the principal and unpaid interest accrued prior to October 1, 1931, with respect to any loan upon any such certificate has not been paid in full by the veteran (whether or not the loan has matured), then the Administrator shall (1) pay or discharge such unpaid principal and interest as is necessary to make the certificate available for payment under this act, (2) deduct such unpaid principal and so much of such unpaid interest as accrued prior to October 1, 1931, from the amount of the face value of the certificate, and (3) certify to the Secretary of the Treasury as payable an amount equal to the difference between the face value of the certificate and the amount so deducted.

Sec. 2. In the case of each loan heretofore made pursuant to law by the Administrator of Veterans' Affairs and/or by any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia, upon the security of an adjusted-service certificate, any interest unpaid accrued subsequent to September 30, 1931, that has been or, in consequence of existing law, would be charged against the

face value of such certificate shall be canceled insofar as the veteran is concerned, notwithstanding any provision of law to the contrary. Any interest on any such loan payable to any such bank or trust company shall be paid by the Administrator of Veterans' Affairs.

In the case of any such loan which is unpaid and held by a bank or trust company at the time of filing an application under this act, the bank or trust company holding the note and certificate shall, upon notice from the Administrator of Veterans' Affairs, present them to the Administrator for payment to the bank or trust company in full satisfaction of its claim for the amount of unpaid principal and unpaid interest, except that if the bank or trust company, after such notice, fails to present the certificate and note to the Administrator within 15 days after the mailing of the notice, such interest shall be paid only up to the fifteenth day after the mailing of such notice.

Sec. 3. (a) An application under this act for payment of a certificate may be made and filed at any time before the maturity of the certificate (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations shall be held void.

(b) If the veteran dies after the application is made and before it is filed it may be filed by any person. If the veteran dies after the application is made it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona-fide signature of the applicant, discloses an intention to claim the benefits of this act, and is filed before payment is made to the beneficiary. If the death occurs after the application is filed but before the receipt of the payment under this act, or if the application is filed after the death occurs but before mailing of the check in payment to the beneficiary under section 501 of the World War Adjusted Compensation Act, as amended, payment under this act shall be made to the estate of the veteran irrespective of any beneficiary designation. If the veteran dies without making a valid application under this act no payment under this act shall be made. If the veteran dies on or after the passage of this act without having filed an application under section 1, in making any settlement there shall be deducted on account of any loan made on an adjusted-service certificate only interest accruing prior to October 1, 1931.

(c) Where the records of the Veterans' Administration show that an application, disclosing an intention to claim the benefits of this act, has been filed and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

(d) If at the time this act takes effect a veteran entitled to receive an adjusted-service certificate has not made application therefor he shall be entitled, upon application made under section 302 of the World War Adjusted Compensation Act, as amended, to receive, at his option, under such rules and regulations as the Administrator may prescribe, either the certificate under section 501 of such act, as amended, or payment under this act.

Sec. 4. The amount certified pursuant to section 1 of this act shall be paid to the veteran or his estate on or after June 15, 1936, by the Secretary of the Treasury by the issuance of bonds of the United States, registered in the name of the veteran only, in denominations of \$50 having a total face value up to the highest multiple of \$50 in the amount certified as due the veteran, and the difference between the amount certified as due the veteran and the face amount of the bonds so issued shall be paid to the veteran or his estate by the Secretary of the Treasury out of the fund created by section 505 of the World War Adjusted Compensation Act, as amended. The bonds shall be dated June 15, 1936, and shall mature on June 15, 1945, but shall be redeemable at the option of the veteran or his estate at any time, at such places, including post offices, as the Secretary of the Treasury may designate. Such bonds shall be issued under the authority and subject to the provisions of the Second Liberty Bond Act, as amended, and shall not be transferable, assignable, subject to attachment, levy, or seizure under any legal or equitable process and shall be payable only to the veteran or, in case of death or incompetence of the veteran, to the representative of his estate. Interest on each bond issued hereunder shall accrue at the rate of 3 percent per annum from June 15, 1936, to date of maturity or payment of the principal of the bond, whichever is earlier, and will be paid with such principal: *Provided further*, That no interest will be paid on any bond redeemed prior to June 15, 1937. The provisions of this section shall be carried out subject to regulations of the Secretary of the Treasury to be issued from time to time to effectuate the purposes of this act.

Sec. 5. The Secretary of the Treasury is authorized and directed to redeem from the United States Government life-insurance fund all adjusted-service certificates held by that fund on account of loans made thereon, and to pay to the United States Government life-insurance fund the amount of the outstanding liens against such certificates, including all interest due or accrued, together with such amounts as may be due under subdivision (m) of section 502 of the World War Adjusted Compensation Act, as amended. The Secretary of the Treasury is authorized and directed to make such payment by issuing, to the United States Government life-insurance fund, bonds of the United States which shall bear interest at the rate of 4½ percent per annum. No such bonds shall mature or be callable until the expiration of a period of at least 10 years from date of issue, except that any such bond shall be redeemed by the Secretary of the Treasury and the

principal and accrued interest thereon paid to the United States Government life-insurance fund at any time upon certification by the Administrator of Veterans' Affairs that the amount represented by such bond is required to meet current liabilities. Bonds issued for the purposes of this section shall be issued under the Second Liberty Bond Act, as amended, subject to the provisions of this section.

SEC. 6. The adjusted-service certificate fund is hereby made available for payments authorized by this act.

SEC. 7. Notwithstanding the provisions of Public Law No. 262, Seventy-fourth Congress, approved August 12, 1935, no deductions on account of any indebtedness of the veteran to the United States, except on account of any lien against the adjusted-service certificate authorized by law, shall be made from the adjusted-service credit or from any amounts due under the World War Adjusted Compensation Act, as amended, or this act.

SEC. 8. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 9. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 10. Whoever knowingly makes any false or fraudulent statement of a material fact in any application, certificate, or document made under the provisions of this act shall, upon conviction thereof, be fined not more than \$1,000 or imprisoned not more than 5 years, or both.

SEC. 11. This act may be cited as the Adjusted Compensation Payment Act, 1936.

A BRIEF RÉSUMÉ OF THE NEW DEAL

Mr. MILLARD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. MILLARD. Mr. Speaker, the American electorate must make a momentous decision at the general election next November, and it is our duty as Republicans, who stand for a constitutional government, to bring forcefully to the voters of the country the seriousness of the national situation and the crisis facing us. Our own consciousness of this impending crisis makes it mandatory upon an educated citizenry to place before all of the people the issues of the coming campaign, and it will be well for us to sit down now together and reason out the problems. The coming campaign will not be one of personalities; it will be a clear-cut question of issues, the principal one being whether the American people are to rise to the heights of prosperity heretofore enjoyed under our constitutional form of government or whether they are to submit to a dictatorship under centralized government and the socialistic reforms advocated by the President since his election.

In his 1932 campaign for election President Roosevelt himself said that the measure of sincerity is in the things done and the things said. By what has been done, therefore, we accept the challenge and gage the accomplishments by his own yardstick, a standard whereby the American people can intelligently judge. Fortunately for the Republicans, if not for the country, the Democratic strength in the Congress gives the administration no alibi for its failures. The small Republican minority in Senate and House of Representatives has been unable to make its remonstrances felt, or even heard, and full responsibility, therefore, rests squarely upon the shoulders of the party in power. There can be no counter of lack of cooperation by the Congress. The broom was new and swept clean.

By his own yardstick, therefore, we can examine the President's promises, weigh them with past performances, and gage the outlook for the future. President Roosevelt was elected on a platform which pledged the American people "a sound currency to be preserved at all hazards." Yet it was the President himself who took us off the gold standard. Since that time the fear of an uncontrolled currency inflation has materially retarded the restoration of a sound condition of business.

Mr. Roosevelt, in his campaign pledge, promised a reduction in public expenditures. The Democratic Party platform called for an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance to accomplish a saving of not less than 25 percent in the cost of Federal Government. In this the President went further than his party platform by denounc-

ing not only the then current level of Federal expenditures; he denounced the further borrowing of money and increasing deficits; denounced the creation of a Federal bureaucracy. This solemn covenant between the President and the American people has been completely repudiated. Examination of the way in which this promise has been kept would be enlightening to the taxpayer. The actual expenditures for 1934 and the estimates for 1935 and 1936 total \$24,206,533,000; the appropriations during the first session of the Seventy-fourth Congress amounted to \$10,250,000,000. Instead of the promised reduction we have extravagant waste; the establishment of countless commissions and bureaus to make positions for worthy Democrats and supporters of the President, chosen by Mr. Farley—100,000 of them, exclusive of those on relief, employees on public works, and with the Civilian Conservation Corps. An increase never before paralleled—though in his campaign Mr. Roosevelt assured the American people he regarded reduction in Federal spending as one of the most important issues and one of the most direct and effective contributions that the Government could make to business.

The Democratic platform pledged, I quote the exact words, the "maintenance of the national credit by a Federal budget annually balanced on the basis of accurate executive estimates within revenues, raised by a system of taxation on the principle of ability to pay." This plank in the platform appears to have been entirely overlooked. Without such a balanced budget we cannot hope for recovery, normal or otherwise. Yet I challenge the supporters of the administration's policies to point to one feeble effort to bring about such a balance.

Both the platform and the candidate in the 1932 contest denounced the policy of pegging the price of farm products, as practiced by the Federal Farm Board and branded as unsound the policy of restricting agricultural production to the demands of domestic markets. Yet the same party which denounced the policy as unsound lost no time in placing restrictions on the quantity of cotton raised. What happened? The cotton farmer reduced his crop, accepted his bonus, and planted his idle acres in tobacco. With the stimulated production of tobacco, a restriction similar to that placed on cotton was imposed.

The cotton and tobacco farmers, consequently, were driven to raising peanuts which again resulted in overproduction and ultimate restriction. In natural sequence the cotton, tobacco, and peanut farmers turned to planting potatoes. Until the Supreme Court's declaration of the unconstitutionality of the Agricultural Adjustment Act there were 14 farm commodities under direct control by the Department of Agriculture with restricted production and under a heavy tax levy which was paid by the consumer. But for the Supreme Court there would have been no end to it. It would not have stopped with the farm. If the policy of restriction had been allowed to continue, we eventually would have faced Government control of all articles which compete with farm products. Notwithstanding President Roosevelt's denunciation of any increase in taxes on food and clothing before his election, the basis of the entire Agricultural Adjustment Act was a tax levy exclusively on food and clothing—the processing tax. Unless the policy of centralized control is abandoned, it will lead inevitably to more and more Federal control. The vicious circle ever widens.

In my opinion the whole A. A. A. experiment had to go the way of the N. I. R. A. when the Supreme Court ruled, but meanwhile the American people carried the burden of the processing taxes and the farmer yielded to a dictator in the person of the Secretary of Agriculture. This policy, though it has put money in the hands of the farmer, has by no means solved his problems.

Every activity of the New Deal has been a flagrant repudiation of the pledge to remove the Government from all fields of private enterprise. The Government, as every businessman knows, has been thrust into competition with private enterprise, another serious stumbling block to a return to normalcy from this depression. Business during this period has not only had to submit to a bureaucratic

control without precedent, it has had also to face active competition from its Government. The bill introduced in the last session proposing to eliminate public-utility holding companies is only the first step toward governmental ownership of all utilities. We already have the vast project in the Tennessee Valley proposing to bring cheaper light and power to the consumer at an ultimate cost to the taxpayer of approximately a billion dollars, and a probable result of wiping out the savings investment of millions of people. Mr. Norman Thomas speaks of the T. V. A. as "an excellent example of pure socialism." Whether the act creating the Tennessee Valley Authority is constitutional is now under consideration by the Supreme Court.

But what of other public utilities? Will the railroads come next? The centralized government toward which we are heading must include ownership and operation of all public utilities. Mr. Roosevelt in a message to the Congress urged that all forms of transportation be brought under the control of a Federal commission. We have an edifying example of Government control and operation of our railway system during the World War when our transportation facilities were grossly inefficient and wretchedly conducted. During the period of Government management, despite a generous increase in freight rates, the operating loss is estimated at a million dollars a day, and the total payments from the Treasury reached the staggering sum of one and three-quarter billions of dollars of the taxpayers' money. Are we to sit by and see a reenactment of this?

Let us turn for a moment from the promises of the Democratic platform upon which the people voted in 1932 and which the President, then a candidate for election, pledged himself to support. Let us examine, too, the platform of the Socialist Party, which polled less than 900,000 votes in the 1932 election. The Socialist platform advocated \$5,000,000,000 for relief and a like amount for public works. These have been realized under the Roosevelt regime. The Socialist Party platform recommended the recognition of Soviet Russia. Russia has been recognized, but even those who strongly advocated this step are, I think, sorely disappointed that the anticipated volume of trade with the Soviet has not materialized.

The Socialist Party proposed to transfer principal industries, national resources, and public utilities to public ownership; we have now the Wheeler-Rayburn Act, the first step in this direction. Public employment agencies, which have become a reality, unemployment insurance, and old-age pensions as provided in the social-security law enacted at the last session of Congress; Government aid to farmers, accomplished through various legislative channels; increased income and inheritance taxes, effected by the share-the-wealth tax program; a change in the Constitution to relieve its burdensome restraint and abolition of the power of the Supreme Court, both of which have been strongly advocated by New Deal spokesmen. The Secretary of the Treasury has gone on public record as favoring ownership by the United States Treasury of the Federal Reserve banks and socialization of banking is certainly the target at which the new act is aimed. The Socialist platform also called for legislation providing the acquisition of land and equipment for the unemployed. The Agricultural Adjustment Act and the other laws relating to crop production and control substantially weakened the rights of landowners and gave the Federal Government the power to determine production quotas and fix prices.

Looking at the record of the last 3 years, we understand why the editor of the Socialist daily Forward declared President Roosevelt qualified to become a full-fledged member of the Socialist Party. We have Mr. Roosevelt's record of accomplishment, and we have his promise to support his own party platform "100 percent"; but we find him disregarding his own pledges and, instead, coercing a strongly Democratic Congress into the enactment of measures of pure socialism. He has faithfully fulfilled the promises, not of the Democratic platform, but of the Socialist Party. Is the President, a candidate for reelection, going to continue

to carry water on both shoulders with the sanction of the American people? I do not think he is. If Mr. Roosevelt believed in the policies he has advocated at the time he was a candidate for office, he should have taken the American people into his confidence and told them so, and should have explained how he proposed to help their situation. He did not. Clever student of psychology that he is, he understood full well that, had he gone before the American people and pledged himself to the support of the platform of the Socialist Party, he could not have been elected.

EXTENSION OF REMARKS

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that all Members who spoke in Committee may have permission to extend their remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

CONSERVATION OF NATURAL RESOURCES

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including a speech I made in St. Louis.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CARLSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address, which was delivered by me at the annual meeting of the Mississippi Valley Association in St. Louis on November 25, 1935, in regard to conservation of our natural resources.

Mr. Chairman, members of the Mississippi Valley Association, and friends, it is a privilege to meet with you in your annual meeting. I have observed the activity of your organization, and, knowing personally a large number of its officers and members, I feel that you are rendering our Nation invaluable service in regard to flood control.

The Scriptures tell us that where there is no vision, people perish. Your organization has a vision and a program for flood control. It is only in recent years that we have observed the great waste of our natural resources through water run-off or erosion of our land. The time has arrived when our Nation must adopt a policy of conservation of its land and water resources. The breaking of the prairie sod, the destruction of our forests, the draining of natural water basins, and the construction of a highway system that encouraged a rapid run-off of our rainfall has brought about a scarcity of water in some sections and a superabundance of it in others. In reality, it is a problem of droughts and a problem of floods. Among the many hopeful plans that have been advanced lately is the one offered by the Mississippi Valley Committee of the Public Works Administration. In studying this great drainage basin the committee could observe the problem of the arid sections of the Plains States, the drainage problems of the Ohio River and its tributaries, and the flood menace of the alluvial valley of the Mississippi. Their report contains the following statements:

"Planning for the use and control of water is planning for most of the basic functions of the life of the Nation. We cannot plan for water unless we also consider the relevant problems of the land. We cannot plan for water and land unless we plan for the whole people. It is of little use to control rivers unless we also master the conditions which make for the security and freedom of human life. We are but tenants and transients upon the earth. Let us hand down our heritage not only unimpaired but enriched to those who come after us."

The Mississippi Valley Committee also suggests that "Federal participation should be freely entered into when national benefits are anticipated or national ills are to be averted."

I believe the time has arrived when our Nation should begin with the development of a program for flood control. This program, which will of necessity be a long-time program, should give consideration to every phase of water run-off. The entire Plains region is in need of measures which will bring relief from the more critical conditions caused by floods and droughts. The laws of man cannot remove the causes of flood and drought, but should be directed toward the protection of the people from the destructive effects of them. Throughout the length and breadth of this region natural water storage is nonexistent. It is because of that that the streams vary so greatly in their flow.

While undoubtedly some levees and channel straightening are needed for flood protection, particularly on the lower reaches of the streams, the great need is for the conservation and storage of water.

Kansas is already engaged in an intensive water storage program, the chief purpose of which is to make water available in localities where it is sorely needed in times of drought to make water available for stockmen who, during period of drought, have had to haul water for miles or dispose of their livestock; to provide water supplies for cities whose wells or streams fail in dry

periods; to create lakes for public parks and to raise the water table in many localities. About 3,000 ponds and lakes are now under construction or have been recently completed in our State.

It is my purpose to call attention to the needs of flood control in Kansas, and what I say in regard to Kansas is applicable to a large percent of the drainage area of the Mississippi River Basin. In fact, it would include all of the area of the Middle West that has an average annual rainfall of 30 inches or less. We must first have a thorough survey of the Mississippi River and its tributaries.

Despite the fact that a large portion of our State is listed as semiarid, we suffer severe flood losses practically every year in some section of our State. A typical example of this is the Kansas River. This stream system has a drainage area of 60,000 square miles, comprising the northern half of Kansas, the southern part of Nebraska, and a portion of eastern Colorado. It receives an average annual rainfall of 24 inches. The maximum recorded flow of this stream at its mouth was more than 200,000 cubic feet per second, a flood which caused the loss of 57 lives and property damage at Kansas City alone estimated at \$22,000,000.

This year tributaries of the Kansas River, namely, the Republican, Solomon, Smoky Hill, and Blue Rivers suffered severe losses. The figures furnished by the United States engineers' office at Kansas City, after assembling all available information on flood volume, inform us that the flood on the Republican River was by far the greatest and most destructive flood on that stream in its history.

The United States engineers' office estimate a volume flow of 150,000 cubic feet per second near St. Francis in the northwest corner of our State, then this river flows into Nebraska and again enters Kansas in the north central part. As it crossed the Nebraska-Kansas line near Superior, Nebr., the engineers' office estimated the volume flow at 225,000 cubic feet per second. The height of volume flow was at Holbrook, Nebr., with an estimated flow of 285,000 cubic feet per second.

It is true that by the time the flood waters of the Republican River reached the Missouri River at Kansas City its volume was greatly spent and therefore the damage there was not great. Mr. George S. Knapp, of Topeka, Kans., our State water resources engineer, informs me that there is a reservoir site on the Republican River in Kansas below the Nebraska line which, had there been a dam constructed there, would have held the entire flood with 100,000 acre-feet to spare. The estimated capacity of this reservoir is 800,000 acre-feet and the estimated flood volume was about 700,000 acre-feet. I believe it is safe to assume that this reservoir can be constructed at a cost of less than \$3,000,000 and that when you consider the flood protection, the supply of water for irrigation, the beneficial effects of this large body of water in a semiarid region and its value as a recreational area in this section, it would be a worth-while investment.

Col. R. C. Moore, in charge of the Missouri River division of the Corps of Engineers, informs me that surveys and preliminary reconnaissance has been made on eight reservoir sites on the Kansas River. These sites include Milford on the Republican River, Kanapolis on the Smoky Hill River, Wilson on the Saline River, Tuttle Creek on the Big Blue River, Onega on Vermillion Creek, Arrington on the Delaware River, Clinton on the Wakarusa River, and Jarbalo on Stranger Creek.

These reservoirs have a combined estimated capacity of about three and one-half million acre-feet. Further surveys are being made on these projects and every effort should be made to secure such additional funds as are needed for this work.

In southeastern Kansas the mean annual run-off is somewhat larger because of an increased rainfall within the drainage area of Osage, Neosho, and Verdigris Rivers. They are, however, subject to much greater differences between their high and low stages than the Kansas River. These three rivers during 1934 were almost dry, but during the past summer have flooded thousands of acres of land, reaching many homes and destroying crops of great value. The south-central and western portion of our State are drained by the Arkansas River, which flows across Oklahoma, emptying directly into the Mississippi River. Waters from this river add greatly to the volume of flow in the Mississippi and is at all times a flood menace. During the 1927 flood 560,000 acres of farm lands were flooded, some of it as often as five times. During this period known flood losses reached a total of \$3,500,000, which figure took no account of loss of life, sickness as a result of flood, nor losses caused by suspension or interruption of business. The water leaving the State through the Arkansas and Missouri River contributed substantially to the floods during that period on the lower Mississippi.

The floods in Kansas this year took a heavy toll of human lives, they overflowed more than 1,000,000 acres of our best farm lands, and damages are estimated at approximately \$11,000,000.

During the last session of Congress I enjoyed my work as a member of the Flood Control Committee, and it was a great privilege to work with the members from the alluvial basin of the Mississippi River. There is a different problem than that of the tributaries, but despite this fact we were able to work together in submitting a bill to Congress known as H. R. 8455. This program is one of flood prevention rather than flood control. It calls for the construction of a large number of dams and flood-control reservoirs on tributary streams. The projects in this measure have been approved by the corps of Army engineers as the most meritorious of a great number of undertakings upon which studies and examinations have been made. These projects are of such char-

acter and scope that they will contribute to the general well-being and safety of the people in the localities where they are located and will be a part of a well-planned network of reservoirs which will greatly reduce the floods on the Mississippi River.

The construction of these and other reservoirs will withhold large bodies of water at its source. A number of these proposed reservoirs are located in Kansas, Oklahoma, Nebraska, and Colorado. The Corps of Army Engineers, through their chief, General Markham, is making further surveys on these streams with a view of locating other reservoir sites and determining their economic value and feasibility of construction. Our Government is fortunate in having placed the flood-control problem in the hands of General Markham and his efficient corps of engineers. Everyone who is familiar with their work has the greatest confidence in them.

The greatest need in Kansas at this time is the development of a comprehensive general plan of water development embracing the entire State. Without such a plan, development, whether for the use of water or control of floods, cannot proceed along those orderly and well-coordinated lines. A comprehensive plan is absolutely necessary to bring about effective control and the greatest use of this most important natural resource. The purpose of such a plan should be to lay the foundation for the systematic control and development of our streams in order that the greatest ultimate good may be obtained from them.

Despite our pond and lake program recently undertaken, study should be undertaken without delay, and followed with definite steps, to control and use these streams which in the past have left a long and tragic history of the effects of flood and drought. Recent rains stress the fact that an abundance of these elements necessary to the life of mankind is provided us by nature, which must be conserved and often combated. We must do our utmost to make use of those extreme periods of rainfall when floods threaten us. These periods, properly controlled, will provide water for basins, lakes, and small ponds, and provide an abundance of moisture in the subsoil for the growth of crops and for the seepage to those great underground streams for our water supply.

Things God-given may be for our use or for our destruction. To gain the greatest good we must learn how to use them. We need to bend every effort toward conserving rainfall for such periods as 1932 to 1934. We must make long-time plans to help prevent such catastrophes as the loss of life during the recent flood on the Republican River. The Federal Government should construct reservoirs of a purely flood-control character to control flood waters for such as can be justified by the costs of the projects and the needs and necessities of the people.

While this paper deals largely with the water problems of Kansas, it portrays a situation which exists throughout the vast domain known as the Great Plains. On behalf of this region, which comprises the great surplus-producing States of this country, I will respectfully urge that the Mississippi Valley Association give more consideration to the conservation and storage of water on the headwater streams in connection with a broad Mississippi Valley water program.

MESSAGES FROM THE PRESIDENT OF THE UNITED STATES—INAUGURATION OF THE GOVERNMENT OF THE PHILIPPINES (H. DOC. NO. 400)

The SPEAKER laid before the House the following communication from the President of the United States, which was read and referred to the Committee on Insular Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a compilation of documents relating to the inauguration of the Commonwealth of the Philippines, as provided in the Philippine Independence Act (Public, No. 127, 73d Cong.), approved March 24, 1934.

Inasmuch as it is believed that this compilation would be of great historical value and of general interest as a source of information, I concur in the recommendation of the Secretary of War that it be printed as a congressional document.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 27, 1936.

SETTLEMENT OF SPECIAL CLAIMS

The SPEAKER laid before the House a further message from the President of the United States, which was read and referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the enclosed report from the Secretary of State to the end that Public Law No. 30, Seventy-fourth Congress, be amended so as to increase from \$90,000 to \$180,000, the amount of the appropriation authorized for the work of the commission for the settlement of the special claims

comprehended within the terms of the convention between the United States of America and the United Mexican States concluded April 24, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 27, 1936.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3328. An act to provide an official seal for the United States Veterans' Administration, and for other purposes.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 28, 1936, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

626. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill for the relief of the Alaska Commercial Co.; to the Committee on Claims.

627. A letter from the Secretary of the Treasury, transmitting a draft of a proposed bill to permit the Coast Guard to participate in the annual rifle and pistol matches for which provision is made in the act of May 28, 1928 (45 Stat. 786, U. S. C., title 32, secs. 181a, 181b, 181c), on a par with the other armed services enumerated in that act; to the Committee on Military Affairs.

628. A letter from the Secretary of War, transmitting a draft of a bill for the relief of the leader of the Army Band; to the Committee on Military Affairs.

629. A communication from the President of the United States, transmitting a report from the Secretary of State to the end that Public Law No. 30, Seventy-fourth Congress, be amended; to the Committee on Foreign Affairs.

630. A communication from the President of the United States, transmitting a compilation of documents relating to the inauguration of the Government of the Philippines (H. Doc. No. 400); to the Committee on Insular Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. TAYLOR of Colorado: Committee on Appropriations. H. R. 10630. A bill making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes; without amendment (Rept. No. 1927). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 10626) granting an increase of pension to Minnie Halleran, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A bill (H. R. 10630) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1937, and for other purposes; to the Committee on Appropriations.

By Mr. CULKIN: A bill (H. R. 10631) to extend the times for commencing and completing the construction of a bridge across the St. Lawrence River at or near Alexandria Bay, N. Y.; to the Committee on Interstate and Foreign Commerce.

By Mr. DALY: A bill (H. R. 10632) to amend the act entitled "An act to amend and consolidate the acts respecting

copyright", approved March 4, 1909, as amended, and for other purposes; to the Committee on Patents.

By Mr. MARTIN of Colorado: A bill (H. R. 10633) to authorize the Bureau of Mines to conduct certain studies, investigations, and experiments with respect to subbituminous and lignite coal, and for other purposes; to the Committee on Mines and Mining.

By Mr. SABATH: A bill (H. R. 10634) to prevent excessive charges and loss of assets in connection with certain reorganizations, compositions, and extensions; to amend the Bankruptcy Act of July 1, 1898; to aid the district courts in the administration thereof; to authorize the Reconstruction Finance Corporation to make loans to finance certain reorganizations, compositions, and extensions; and for other purposes; to the Committee on the Judiciary.

By Mr. WITHROW: A bill (H. R. 10635) to provide that flags to drape caskets of veterans of any war be available at all post offices; to the Committee on the Post Office and Post Roads.

By Mr. VINSON of Georgia: A bill (H. R. 10636) to amend section 22 of the act approved March 4, 1925, entitled "An act providing for sundry matters affecting the naval service, and for other purposes"; to the Committee on Naval Affairs.

By Mr. WILLIAMS: A bill (H. R. 10637) granting the consent of Congress to the State Highway Commission of Missouri to construct, maintain, and operate a free highway bridge across Current River at Powder Mill Ford in sec. 16, T. 29 N., R. 2 W., east of Eminence, on route No. Missouri 106, Shannon County, Mo.; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLENBOGEN: A bill (H. R. 10638) to amend the Home Owners' Loan Act of 1933, to reduce the rate of interest to 3½ percent, to extend the time of maturity to 25 years, and for other purposes; to the Committee on Banking and Currency.

By Mr. SAMUEL B. HILL: A bill (H. R. 10639) to amend the Emergency Relief Appropriation Act of 1935, with reference to the employment of labor; to the Committee on Appropriations.

By Mr. McSWAIN: A bill (H. R. 10640) to authorize appropriations for construction at military posts, Panama Canal Department, and for other purposes; to the Committee on Military Affairs.

By Mr. PETERSON of Florida: A bill (H. R. 10641) providing for the protection and conservation of equities, easements, or rights accruing to the Government because of lands granted for the purpose of aiding in the building or establishment of railroads; to the Committee on the Public Lands.

By Mr. GILLETTE: Joint resolution (H. J. Res. 467) authorizing the erection of a memorial to the late Haym Salomon; to the Committee on the Library.

By Mr. McGRATH: Joint resolution (H. J. Res. 468) to authorize and direct the Secretary of the Navy to prepare plans and designs for two lighter-than-air craft, together with estimates of costs, and to report the same to the Naval Affairs Committee of the House of Representatives; to the Committee on Naval Affairs.

By Mr. MERRITT of New York: Joint Resolution (H. J. Res. 469) providing for the participation of the United States in the world's fair to be held by New York World's Fair, 1939, Inc., in the city of New York during the year 1939, and authorizing the President of the United States to invite foreign countries and nations to participate therein, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYERS: A bill (H. R. 10642) conditionally validating a homestead entry for Fort Peck Indian land; to the Committee on the Public Lands.

By Mr. BOILEAU: A bill (H. R. 10643) for the relief of George J. DeRouchey; to the Committee on Claims.

Also, a bill (H. R. 10644) to provide for the refund of the claim for loss incurred in the burglary of the post office at Vesper, Wis.; to the Committee on Claims.

By Mr. BLOOM: A bill (H. R. 10645) for the relief of Benno Shmukler; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 10646) for the relief of Joseph Herschmann; to the Committee on Immigration and Naturalization.

By Mr. BURNHAM: A bill (H. R. 10647) for the relief of Verne B. Bennett; to the Committee on Claims.

By Mr. CASEY: A bill (H. R. 10648) for the relief of the Trent Trust Co., Ltd.; to the Committee on Claims.

By Mr. CULKIN: A bill (H. R. 10649) granting an increase of pension to Jane M. French; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 10650) granting an increase of pension to Mary E. Spencer; to the Committee on Invalid Pensions.

By Mr. GILLETTE: A bill (H. R. 10651) for the relief of Frederick Henry Pollman; to the Committee on Military Affairs.

By Mr. HOUSTON: A bill (H. R. 10652) granting an increase of pension to Mary Hawk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10653) granting an increase of pension to Miranda C. Hill; to the Committee on Invalid Pensions.

By Mr. NELSON: A bill (H. R. 10654) granting an increase of pension to Smantha Midgett; to the Committee on Invalid Pensions.

By Mr. PLUMLEY: A bill (H. R. 10655) for the relief of the Vermont Transit Co., Inc.; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 10656) for the relief of Mrs. Gitte Ferman, nee Rubin; to the Committee on Immigration and Naturalization.

By Mr. STUBBS: A bill (H. R. 10657) granting a pension to Amanda Vickers Boyd; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 10658) granting a pension to Elizabeth Tuttle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 10659) granting a pension to Betsy Ann Boles; to the Committee on Invalid Pensions.

By Mr. WHELCHER: A bill (H. R. 10660) granting a pension to Mildred Elizabeth Sailors; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

9802. By Mr. AYERS: Petition of Adolph J. Ziesmer and 34 other citizens and patrons of star route no. 63282, Mosby to Melstone, Mont.; to the Committee on the Post Office and Post Roads.

9803. Also, petition of Elick Roane and 21 other citizens of Forest Grove, Mont.; to the Committee on the Post Office and Post Roads.

9804. Also, petition of Ethan Atchley and 18 other citizens and patrons of star route no. 63283, Brusett to Edwards, Mont.; to the Committee on the Post Office and Post Roads.

9805. Also, petition of W. R. Johnsen and 18 other citizens and patrons of star route no. 63288, Cohagen to Grisdella, Mont.; to the Committee on the Post Office and Post Roads.

9806. Also, petition of Henry Krause and 14 other citizens and patrons of star route no. 63372, Belmont to Painted Rock, Mont.; to the Committee on the Post Office and Post Roads.

9807. Also, petition of Albert Roane and 24 other residents of Grass Range, Mont.; to the Committee on the Post Office and Post Roads.

9808. By Mr. BIERMANN: Petition of A. C. Philipp and D. J. Meggenburg, of Manchester, and other citizens of the Fourth Iowa District, favoring House bill 6246; to the Committee on Interstate and Foreign Commerce.

9809. Also, memorial of Motor and Equipment Wholesalers Association, regarding lease and agency agreements; to the Committee on Interstate and Foreign Commerce.

9810. By Mr. CARPENTER: Petition of citizens of the State of Kansas, county of Lyon, to prohibit, within the District of Columbia, the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors, whatsoever, etc.; to the Committee on the District of Columbia.

9811. Also, petition of citizens of the State of Kansas, county of Reno, to prohibit, within the District of Columbia, the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors, whatsoever, etc.; to the Committee on the District of Columbia.

9812. Also, petition of citizens of the State of Kansas, county of Clay, to prohibit, within the District of Columbia, the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9813. Also, petition of citizens of the State of Kansas, counties of Dickinson and Ottawa, to prohibit within the District of Columbia the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9814. Also, petition of citizens of the State of Kansas, county of Riley, to prohibit within the District of Columbia the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9815. Also, petition of citizens of the State of Kansas, county of Morris, to prohibit within the District of Columbia the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9816. Also, petition of citizens of the State of Kansas, county of Rawlins, to prohibit within the District of Columbia the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9817. Also, petition of citizens of the State of Kansas, county of Wabaunsee, to prohibit within the District of Columbia the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors whatsoever, etc.; to the Committee on the District of Columbia.

9818. Also, petition of citizens of the State of Kansas, county of Lyon, to prohibit, within the District of Columbia, the manufacture, importation, exportation, transportation, sale, gift, purchase, or possession of any spirituous, vinous, malt, fermented, and all alcoholic liquors, whatsoever, etc.; to the Committee on the District of Columbia.

9819. By Mr. CULKIN: Petition of the National Council, Sons and Daughters of Liberty, urging that the immigration laws, in reference to deportation of aliens, be enforced; to the Committee on Immigration and Naturalization.

9820. Also, petition of the National Guard Association of the State of New York, urging that sergeant-instructors detailed from the Regular Army to the National Guard be allowed \$35 per month for rental of quarters; to the Committee on Military Affairs.

9821. Also, petition of the National Association of Cotton Manufacturers, protesting against the present policy of the Government which allows the importation of manufactured goods from countries where the cost of labor is less than one-tenth of what it is here; to the Committee on Interstate and Foreign Commerce.

9822. Also, petition of the New York State Conference of Mayors and other municipal officials, urging passage of Senate bill 2883; to the Committee on Agriculture.

9823. By Mr. FITZPATRICK: Petition of the National Guard Association of the State of New York, recommending legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant-instructor while on such duty; to the Committee on Military Affairs.

9824. By Mr. FULMER: Resolution of the South Carolina Petroleum Industries Committee, memorializing the Congress in behalf of the members of this organization, the eliminating of the tax now imposed by the Federal Government on gasoline; to the Committee on Ways and Means.

9825. By Mr. GRAY of Pennsylvania: Petition of citizens and patrons of star route no. 10307 from Spangler to Nicktown and to Iverson, Pa., to enact legislation that will indefinitely extend all star-route contracts, and increase the compensation thereon to an equal basis with that paid for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9826. By Mr. HAINES: Petition of citizens served by star route no. 10547 from Amberson to Spring Run, Pa., urging enactment of legislation at this session that will indefinitely extend all star-route contracts and increase the compensation thereon to an equal basis with that paid for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9827. By Mr. HOLMES: Petition of residents of the towns of Milford, Mendon, and Hopedale, Mass., asking Congress to indefinitely extend all star-route contracts and to increase the compensation of the star-route contractors; to the Committee on the Post Office and Post Roads.

9828. By Mr. KENNEY: Petition of the National Restaurant Association, in convention assembled in Chicago, October 11, 1935, voicing its objection to the continuance of Government competition with private enterprise in this operation of restaurants, and petitions the President of the United States to immediately take steps to have such Government-operated restaurants either discontinued or thrown open to the highest bidder to operate; to the Committee on Expenditures in the Executive Departments.

9829. Also, petition of the Pacific Coast Association of Port Authorities, in convention at Vancouver, British Columbia, August 15-17, 1935, requesting the Congress of the United States to further amend S. 1632; to the Committee on Interstate and Foreign Commerce.

9830. By Mr. LEWIS of Colorado: Petition prepared by the Reverend R. D. Dexheimer, of Denver, Colo., urging that the House of Representatives restore to the District of Columbia its prohibition law by passing, at the earliest moment, House bill 8739; to the Committee on the District of Columbia.

9831. By Mr. MICHENER: Petition signed by Ira Girkin and 20 other residents of Jackson, Mich., urging that legislation be enacted to indefinitely extend all existing star-route contracts, and increase the compensation thereon to an equal basis with that paid for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9832. Also, petition signed by the Doran Chevrolet Co. and 21 residents of Washtenaw County, Mich., urging that legislation be enacted to indefinitely extend all existing star-route contracts, and increase the compensation thereon to an equal basis with that paid for other forms of mail transportation; to the Committee on the Post Office and Post Roads.

9833. By Mr. MILLARD: Resolution adopted by the annual convention of the National Guard Association of the State of New York, requesting the enactment by the Congress of legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to duty with the National Guard as sergeant instructor; to the Committee on Appropriations.

9834. By Mr. RUDD: Petition of the National Guard Association of the State of New York, concerning desired legislation authorizing an allowance of \$35 per month for quarters to each enlisted man of the United States Army detailed to

duty with the National Guard as sergeant-instructor while on such duty; to the Committee on Military Affairs.

9835. By Mr. TAYLOR of Colorado: Petition from citizens of Bayfield, Colo., requesting passage of legislation indefinitely extending all existing contracts for star mail routes, etc.; to the Committee on the Post Office and Post Roads.

9836. Also, petition from citizens of Hesperus, Colo., requesting passage of legislation indefinitely extending all existing contracts for star mail routes, etc.; to the Committee on the Post Office and Post Roads.

9837. Also, petition from citizens of the city of Delta, Colo., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9838. Also, petition from citizens of Mancos, Colo., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9839. Also, petition from citizens of Hotchkiss and Eckert, Delta County, Colo., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9840. Also, petition from citizens of Paonia, Colo., requesting passage of House bill 8739, providing for prohibition in the District of Columbia; to the Committee on the District of Columbia.

9841. By Mr. THOMAS: Petition of citizens of Glens Falls, N. Y., to restore to the District of Columbia its prohibition law; to the Committee on the District of Columbia.

9842. By Mr. TINKHAM: Resolution of Massachusetts Grand Lodge of the Order of the Sons of Italy in America, and of other organizations, in meeting assembled in Faneuil Hall on January 19, protesting against proposed changes in the practice of American neutrality during the continuance of the Italo-Ethiopian conflict; to the Committee on Foreign Affairs.

9843. By Mr. WOODRUFF: Petition of 21 residents of Bentley, Mich., favoring enactment of legislation placing star-route carriers on same salary and working basis as rural carriers; to the Committee on the Post Office and Post Roads.

9844. By the SPEAKER: Petition of representatives of lodges of the Massachusetts Grand Lodge of the Order of the Sons of Italy in America; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 28, 1936

The House met at 12 o'clock noon.

Rev. Father Edward P. McAdams, pastor of St. Joseph's Church, Second and C Streets NE., Washington, D. C., offered the following prayer:

O Heavenly Father, who in ages past guided Thy chosen people into the ways of peace and prosperity, direct us, who profess undying faith and loyalty in Thy supreme dominion, by the light of Thy counsels, that visioning the future according to Thy standards we may wisely enact legislation that will preserve us as a nation in the way of peace, and confirm unto us Thy blessings, both physical and spiritual, that the other nations of the world, beholding the manifestations of Thy divine interest in our concerns, and of our submission to Thy divine will, may be drawn into Thy service and established in Thy love. Amen.

The Journal of the proceedings of yesterday was read and approved.

TEXAS CENTENNIAL EXPOSITION

Mr. JOHNSON of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 459, to amend the joint resolution entitled "Joint resolution providing for the participation of the United States in the Texas Centennial Exposition and celebrations to be held in the State of Texas during the years 1935 and 1936, and authorizing the President to invite foreign coun-